

The Global Newspaper
Printed in Paris, London, Hong Kong, Singapore and The Hague.

Herald Tribune

Published With The New York Times and The Washington Post

No. 31,385

PARIS, MONDAY, JANUARY 16, 1984

ESTABLISHED 1887

Dior Ad

Committed to the Miss Dior
St. Louis, Cleveland, Portland, Oregon, She's
America and Jamaica.

World Bank Curbs Rise in Aid to Poor

U.S. Refuses to Raise Its New Ceiling On Donation for Subsidized Loans

By Hobart Rowen

WASHINGTON — The World Bank has announced that its subsidized aid program for the poorest nations will be held to \$9 billion over the next three years, 25 percent less than the amount that all donor nations except the United States had agreed was the minimum necessary.

The decision, announced by A.W. Clausen, president of the World Bank, was brought about by the refusal of the Reagan administration to raise its ceiling of \$750 million a year for the U.S. contribution to the International Development Association. The association makes subsidized loans at virtually no interest.

The United States has been providing at least 25 percent of the funding for the development association program. Thus, its \$750 million effectively limits the total to \$3 billion annually.

Mr. Clausen said the other 32 industrialized nations in the World Bank agreed that at least \$4 billion a year was needed.

The development association has distributed an average of \$3.5 billion a year in low-interest loans during the past four years. This did not include help for China, a new member of the World Bank that is expected to be a major claimant.

The IDA makes 50-year loans with a 0.75-percent service charge. India, Bangladesh and sub-Saharan African nations have been the chief beneficiaries.

Mr. Clausen on Saturday called the result of the year of negotiations "sad and disappointing" and labeled the funding level "gravely inadequate." He said all recipient nations would suffer.

Lower funds for the association will mean that agricultural aid programs for parts of sub-Saharan countries suffering from famine will be reduced and that, in some cases, India and China will have to borrow money at commercial bank rates to complete industrialization projects.

With a \$12-billion allocation, India and China would have been scheduled to get about 40 percent of the total, \$4.8 billion. Mr. Clausen implied Saturday that the two countries would get less than \$3.5 billion.

In a three-day meeting that ended Saturday, other donor countries were unable to agree on a supplemental fund to which the United States has refused to contribute.

In recent years, the U.S. contribution to the development association has declined steadily. Mr. Clausen, who is American, pointed out that while the U.S. contribution is 25 percent the United States accounts for almost 35 percent of the world's gross national product.

Mr. Clausen, who has campaigned to increase the resources available to the development association, said he would continue "vigorously" to try to get other nations to put up additional funds. They did so last year when the United States fell short in its commitments for the current IDA program, which runs out June 30.

Funding for the last association program was sent in Congress under President Jimmy Carter with a \$1.1-billion annual limit. Mr. Clausen had recommended a \$1-billion annual U.S. contribution.

The World Bank has undertaken a major effort to raise the association's resources, recruiting a former French central banker, André de Larosière, to promote the idea worldwide. The original goal of \$16 billion was trimmed when nations maintained that their budgets were too limited.

The strongest resistance came from the Reagan administration. Despite efforts by Secretary of State George Bush and Western European leaders, President Ronald Reagan imposed the \$750-million ceiling in November.

Within the \$9-billion total there were shifts in funding proportions, notably an increase in Japan's share from 14.65 percent to 18.7 percent. Japan also becomes the second-largest shareholder in the World Bank, as recognition of its industrial ranking.

The U.S. reduction in development association payments, thought by many Europeans to reflect ideological opposition to the World Bank, is bitterly condemned in the Third World. But U.S. officials say they are only being pragmatic.

The U.S. treasury secretary, Donald T. Regan, has said that Congress would not be willing to appropriate more than \$750 million a year for the association, even though in each of the past two years Congress has approved \$945 million.



REMEMBERING KING — Politicians, clergy and family members joined in singing "We Shall Overcome" at an ecumenical service in Atlanta to mark the 55th anniversary of the Rev. Martin Luther King Jr.'s birth. From left are the Rev. Otis Moss Jr.; Coretta Scott King, widow of the slain civil rights leader; Cardinal Joseph Bernardin, the Roman Catholic archbishop of Chicago; and Mayor Andrew Young of Atlanta.

Reagan Will Ask Congress to Enact Kissinger Panel's Recommendations

By Juan Williams

WASHINGTON — President Ronald Reagan has announced that he will send Congress a comprehensive plan for enacting the recommendations of his commission on Central America.

White House officials say he will seek a compromise with Congress on how military aid to El Salvador can be linked to progress on human rights.

A senior White House official said Saturday that the president was considering alternatives to the congressionally required human rights certification procedure he vetoed last year.

These alternatives, he said, would allow Congress to monitor the progress of human rights efforts in El Salvador without making military aid conditional on death squads or on ceilings to the number of such deaths or other human rights violations.

Such alternatives, officials said, would include waivers to allow military aid to El Salvador to continue if there was evidence of an effort by the Salvadoran government to stop death squad activity, even if deaths were continuing.

"If you look at vehicles for compromise in the Congress, historically, with the president, you find that there can be waivers," the senior official said. "There can be degrees of allowing the certification to be judgmental without specific criteria or such detailed criteria as to be

overly restrictive. There can be changes in the reporting frequency."

White House officials said the legislative package to be sent to Congress would include requests for about \$8.4 billion in military and economic aid for Central America over the next five years, as recommended by the commission.

The Kissinger panel may fail to rescue President Reagan's policy in Central America, Page 3.

Nicaragua announced plans for an election, Page 3.

although the yearly amounts for the budget requests had not been set.

In his weekly Saturday radio address, President Reagan sought to marshal support for the report submitted last week by the National Bipartisan Commission on Central America, headed by former Secretary of State Henry A. Kissinger.

In the address, Mr. Reagan dwelled on the "bipartisan spirit" that guided the commission, "in anticipation of possible congressional reluctance to go along with the plan. The proposal includes up to \$400 million in military aid for El Salvador in the next two years that has been requested by the Defense Department."

Mr. Reagan said Congress should accept the plan not as an administration proposal but as an independent recommendation.

In the Democratic response to

Reagan Expected to Call On Russia to Join U.S. In Effort to Stabilize Ties

By Michael Gerler

WASHINGTON — President Ronald Reagan will state in a major address Monday that "1984 finds the United States in its strongest position in years to establish a constructive and realistic working relationship with the Soviet Union."

According to senior officials who provided reporters with advance excerpts that they said were "relevant to the central purpose of the speech," the president is basing his assessment in part on the idea that, whatever their differences, both sides have a common interest in a more stable relationship that avoids the risk of confrontation and war.

[Mr. Reagan will urge the Kremlin to return to suspended arms control talks as well as to join him in efforts to improve U.S.-Soviet relations, according to a Reuters report from Washington, quoting a senior administration official.]

[The administration official said that Mr. Reagan's main theme would be a willingness to pursue "a realistic and constructive dialogue with the Soviet Union... and a stable, beneficial relationship" while strengthening the U.S. nuclear deterrent.]

Secretary of State George P. Shultz and Soviet Foreign Minister Andrei A. Gromyko will meet in Stockholm Wednesday in the first high-level meeting since an acrimonious session in Madrid shortly after the Soviet Air Force shot down a South Korean commercial airliner in September, killing 269 persons. Officials said the timing of the Reagan speech was also meant "to help establish the framework" for those talks in the hope that they will also "move the relationship forward."

Mr. Shultz arrived in London Sunday and conferred with British officials before going to Stockholm on Monday, where he is to consult with other members of the North Atlantic Treaty Organization before the conference begins on Tuesday.

The overriding reason behind Mr. Reagan's optimism about the U.S. position, officials said, appears to be a belief that his planned \$1.7-trillion five-year buildup of U.S. conventional and nuclear military forces, a revitalized economy and new assertiveness should convince Moscow that this is a good time to reassess relations with Washington.

A senior official who briefed reporters on the speech added that "it is important to note in this context that the measures taken by the administration to restore the credibility of our military deterrent along with our efforts to re-establish America's political and economic strength have put us, in the president's judgment, in the best position in perhaps a generation to

(Continued on Page 2, Col. 7)



George P. Shultz, the U.S. secretary of state, met in London Sunday with Prime Minister Margaret Thatcher.

Rifts Emerge as Allies Debate Future of NATO

By William Drozdiak

WASHINGTON Post Service

BRUSSELS — Serious divisions within the Atlantic Alliance have emerged at a conference of senior politicians and academics here entitled "The Future of NATO and Global Security."

"Every one of us knew that the real title was 'Atlantic Disagreements' and, by God, we got it," France's former foreign minister, Jean François-Poncet, said Saturday in a scathing summary of the three-day meeting sponsored by the Georgetown University Center for Strategic and International Studies.

What several participants described as "a growing crisis of mutual understanding" surfaced in speeches by two former U.S. cabinet members, Henry A. Kissinger and James R. Schlesinger, and West Germany's former chancellor, Helmut Schmidt.

In his address, Mr. Kissinger decried the so-called "two-track" strategy of the North Atlantic Treaty Organization that in 1979 linked the deployment of new Pershing-2 and cruise missiles to the failure of arms control talks. He said that "guaranteed" political turbulence in the five European countries scheduled to take the weapons.

Mr. Kissinger's speech infuriated Mr. Schmidt, according to two of his friends. The former West German leader is considered a chief architect of the two-track approach, which he viewed as the only acceptable political course at the time.

Mr. Schmidt lashed out Friday at what he called the "self-contradictory behavior" of U.S. governments toward the Soviet Union. He warned that "egoistic economic policies" pursued by Washington could soon ruin the alliance.

"The economic mess today is a greater danger right now to the coherence and political stability of the alliance than the Soviet threat," Mr. Schmidt said.

He accused the Reagan administration of bringing about "the high-

est real interest rates since the birth of Christ" by running \$300-billion budget deficits. "You don't print money anymore, you import it," Mr. Schmidt told the Americans.

He also railed against the vacillations of U.S. foreign policy, saying that Britain, France and West Germany followed a "grand strategy" toward the Soviet Union while the United States has frequently reversed positions in the last decade.

William G. Hyland, a Soviet specialist and former member of the National Security Council, said that Mr. Schmidt's speech was a prime example of "the growing gap between the United States and Europe that could end in catastrophe."

Mr. Hyland, who will soon become editor of the influential quarterly Foreign Affairs, told the Europeans that disengagement was also mounting in the United States, where one now hears the argument that NATO may not necessarily be in U.S. interests.

"There are questions from serious people about the wisdom of continuing with this alliance," he said.

The strongest rebuttal to Mr. Schmidt came from Mr. Schlesinger, who said that the West German "summa contra americanum" had achieved the difficult feat of creating sympathy for both Ronald Reagan and Jimmy Carter.

The former U.S. defense secretary challenged Mr. Schmidt's claims about West Germany's superior military contribution to the alliance and insisted that the Americans were more seriously committed to European security than any of the European nations.

Mr. François-Poncet took a less strident approach to the alliance's troubles but admitted there was "a strange and uncomfortable feeling of drifting apart between the United States and Europe. The mood is bad."

Nonetheless, he argued that on many issues, such as China, Afghanistan and the Iran-Iraq war, the U.S. and European countries share similar views.

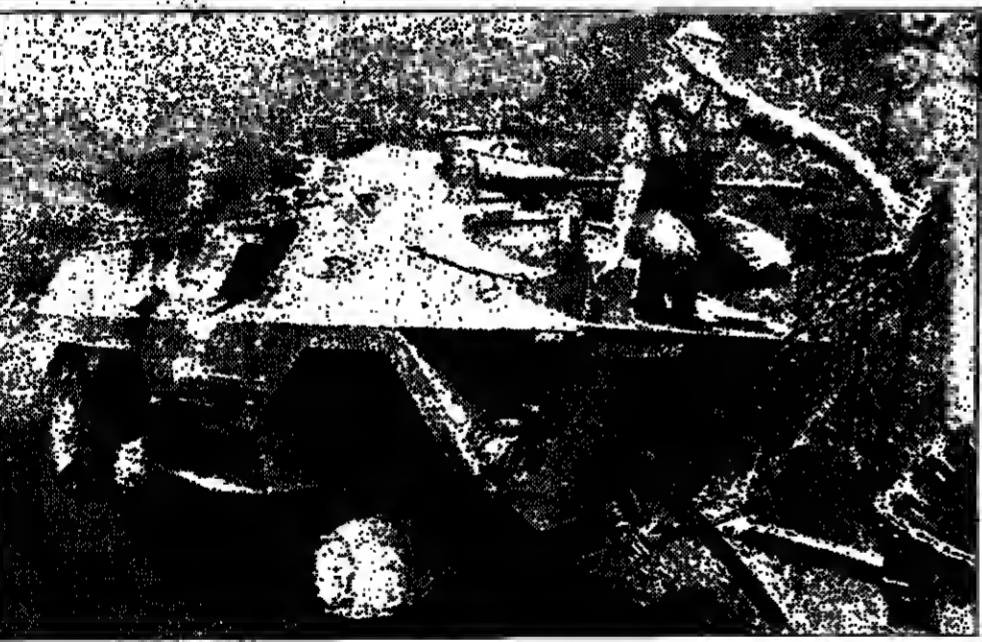
One needs only a basic knowledge of Cyrillic to follow in a newspaper the final match of a basketball tournament, to find out which sportsman or sportsmanka led the victory. There is no sportsman in Russian, but the simple addition of "ka" transforms changes the gender to feminine.

The sportscasters do get an occasional slap on the wrist for their excesses, but a glance at any Pravda or Izvestia newspaper suggests they are not the only culprits.

Last week, for example, Izvestia urged a kollektiv of a tsement factory to show greater effectiveness in the production of cement, and reported on the doings of the Chase Manhattan Bank in Colombia under the headline "Gangster pod Masloj Filantropov" — "Gangsters Under the Mask of Philanthropy."

Although the newly minted words often grate harshly on refined Russian ears, what makes the practice so tempting — and the task of the purists so hopeless — is that the Russian language, with its myriad endings and prefixes, is exceptionally well-equipped to absorb a foreign

(Continued on Page 2, Col. 8)



A South African officer is towed on an armored personnel carrier damaged by a Soviet-made tank in fighting during South Africa's anti-guerrilla operation in Angola.

South Africa Finishes Angola Pullout, Prepares for Talks With Mozambique

JOHANNESBURG — South African troops completed their withdrawal Sunday from Angola after a five-week operation.

Meanwhile, South Africa prepared for talks on its relations with another black Marxist-ruled neighbor, Mozambique.

A 2,000-strong combat group, sent deep into Angola on Dec. 6 to preempt incursions into South-West Africa, by black nationalist fighters, killed up to 500 guerrillas, both Cuban and Angolan, the South African government said. It said that 21 South African soldiers were killed.

A South African defense spokesman said the last troops crossed into Namibia early Sunday, meeting a deadline set by South Africa last week.

The withdrawal marks the end of one of the most arduous and widespread campaigns in a 17-year bush war against guerrillas of the South-West Africa People's Organization

fighting from South Africa.

After what South Africa described as a major military success, the focus switches Monday to talks between South Africa and Mozambique on improving relations between the two ideologically opposed neighbors.

A meeting on security will be held in Pretoria while other working groups are to meet in Maputo on economics, tourism and the Cahora Bassa power plant built to supply electricity to South Africa. The plant has been the target of sabotage.

Analysts say they believe the meetings could mark a turning point in relations between South Africa and Mozambique, which accuse each other of harboring rebels.

They added that a tacit accord was probably the best that could be achieved.

South Africa says Mozambique supports the African National Congress, which is committed to overthrowing white rule in South Africa. Maputo says that South Af-

rica is helping the Mozambique resistance movement fight President Samora Machel's government.

South Africa's attack on Angola, code-named Askari, saw troops push up to Cassinga, 250 kilometers (145 miles) north of the Namibian border, to cut supply lines to 1,000 guerrillas who South Africa said were poised to move south.

Major General George Meiring, South Africa's commander in Namibia, said last week that the guerrillas were equipped with modern Soviet arms and tanks.

He said South African forces had taken one Cuban and an undisclosed number of other prisoners.

South Africa, which rules Namibia in defiance of the United Nations, has been widely condemned internationally for the Angolan operation.

Cross-border raids are part of South Africa's strategy of stretching guerrilla supply lines and forcing neighboring nations to deny havens to the black nationalist guerrillas.

U.S. Navy Opens Fire Near Beirut

Compiled by Our Staff From Dispatches

BEIRUT — The battleship New Jersey blasted artillery positions on hills east of Beirut on Sunday after heavy artillery and mortar fire struck the U.S. Marine encampment at Beirut International Airport and set a fuel depot on fire.

The Marine spokesman, Major Dennis Brooks, said the New Jersey, the world's only operational battleship, and the 6th Fleet destroyer Tatsuul opened up with five-inch guns, teaming up with Marine ground fire to silence guns firing at the U.S. peacekeepers' base. The airport closed for three hours in the evening and incoming flights were diverted to Cyprus.

It was the third time that the World War II battleship had fired since it moved to the Lebanese coast last September to protect the Marines.

Major Brooks said the New Jersey fired its five-inch guns and not the huge 16-inch guns that it used

on Dec. 14 against anti-aircraft batteries shooting at U.S. reconnaissance flights over the Lebanese mountains.

There were no reports of casualties in Sunday's fighting, the third

Major Saad Haddad, Israel's ally in south Lebanon, died Saturday of cancer, Page 2.

assault in a week against the Marines.

A week ago, a marine was fatally wounded when gunfire from small arms weapons and rockets at two U.S. helicopters waiting to take off from the West Beirut seaport. On Friday, marines around the airport fought a 30-minute battle when they came under intense attack by gunmen.

Earlier Sunday, there were reports that a passenger plane on the tarmac had been hit by machine gun and artillery fire.

It was the first time the airport had been hit since Lebanon's warring factions declared it a "neutral zone" in Damascus on Dec. 16.

Battles also broke out Sunday between Lebanese Army troops and Druze Moslem militiamen on the mountain ridges overlooking Beirut and on the foothills east of the airport an hour before the attack on the Marine base began.

Police sources said four civilians were wounded in the village of Kafshama during the artillery, mortar and machine-gun exchanges.

Attackers struck three times at Israeli troops in southern Lebanon. The military command in Tel Aviv said there were no casualties.

But reporters based in southern Lebanon quoted witnesses as saying that six wounded Israeli soldiers were airlifted by helicopter from the village of Muneir near the town of Nabatieh, seven miles (11 kilometers) north of the Israeli border.

(AP, WT)

INSIDE

■ A U.S. soldier who told his wife he had been kidnapped was found asleep in a West German barn, Page 2.

■ President Reagan will not propose major tax increases in his 1985 budget, administration sources say, Page 3.

■ Ray A. Kroc, the founder of McDonald's, died in San Diego. He was 81, Page 5.

■ Burmese officials are reported arrested over the Rangoon bombing in October, Page 5.

BUSINESS/FINANCE

■ The OECD adds its voice to those demanding an end to huge U.S. deficits, Page 7.

■ The EC's retaliation for U.S. curbs on steel imports may undermine GATT, Page 7.

■ A French official suggests that Europe consider penalties on the export of capital to the United States, Page 7.

TOMORROW

■ Malaysia's sultans and the government are both claiming victory after a power struggle.

Why the Khailaifist Annoyed the Zhurnalistka Commentator in Moscow Takes Up Arms Against English Jargon

By Serge Schermernann

New York Times Service

MOSCOW — "I'm a khailaifist," wrote the 30-year-old man, bragging of his American jeans, Japanese stereo, rock music collection and library of science fiction.

The belongings are fairly standard for a pampered member of the "golden youth," the well-to-do offspring of the Soviet elite. But "khailaifist"?

It turned out, according to the Soviet daily newspaper Komsomolskaya Pravda, to be "high-life-ist," a new entry in the ever-expanding, English-derived jargon of Soviet youth that has already enriched Soviet speech with *chinas* for jeans, *chinas* for jazz, *roks* for rock, *diski* for disco, *kassety* for cassettes and even *stirpiz* for striptease, *shuz* for shoes, *vach* for watch and *fazer* for father.

"This English jargon has been used by a certain element of youths for a long time," noted Yelena L. Losoto, a *zhurnalistka* who had called the letter from the *khailaifist* from among hundreds she said she received in response to her series in Komsomolskaya Pravda on elitism among Soviet youth.

"Some letters have been saturated with English words," she added. "Their writers sometimes even signed their names in Latin letters."

The injection of English words into Russian

speech seems to act on older generations in the Soviet Union much the way the language of some teen-agers affects their parents in the United States. But what seemed to grate most on Mrs. Losoto was not so much the slang as the fact that much of it emanated from the West, and specifically from the United States.

For Mrs. Losoto, the trend reflected a broader problem, the abandoning of national and social ideals for a veneer imported from the West, which is often portrayed as degenerate and immoral in the Soviet press.

"The severing of threads tying you to a nation and a society which gave you everything possible is self-decapitation, self-destruction," she wrote.

Her impassioned arguments, however, seem unlikely to curtail the fad for Western words any more than earlier official displeasure affected the allure of *chinas*, *chinas* or the Beatles. The fact is that modern Soviet Russian, of the variety dispensed by the *gazety* and *televizori*, is so riddled with foreign words that the most hard-line purist would have trouble drawing the line between borrowed words that have grown to be felt as Russian through long usage and the "kalki," as casually injected foreign words are known colloquially.

In the age of *tehnologiya*, American technical jargon has so infiltrated Russian that even

the old *vyshishelnyaya mashina* is commonly known as the *komp'yuter*. But it may be in sports that English has made its most thorough inroads.

One needs only a basic knowledge of Cyrillic to follow in a newspaper the final match of a basketball tournament, to find out which sportsman or sportsmanka led the victory. There is no sportsman in Russian, but the simple addition of "ka" transforms changes the gender to feminine.

The sportscasters do get an occasional slap on the wrist for their excesses, but a glance at any Pravda or Izvestia newspaper suggests they are not the only culprits.

Last week, for example, Izvestia urged a kollektiv of a tsement factory to show greater effectiveness in the production of cement, and reported on the doings of the Chase Manhattan Bank in Colombia under the headline "Gangster pod Masloj Filantropov" — "Gangsters Under the Mask of Philanthropy."

Although the newly minted words often grate harshly on refined Russian ears, what makes the practice so tempting — and the task of the purists so hopeless — is that the Russian language, with its myriad endings and prefixes, is exceptionally well-equipped to absorb a foreign

(Continued on Page 2, Col. 8)

U.S., Israel Plan Meetings to Decide New Military Cooperation Measures

By Richard Halloran
New York Times Service

WASHINGTON — U.S. and Israeli military officials are scheduled to meet next week to discuss joint exercises and other elements of military cooperation that President Ronald Reagan and Prime Minister Yitzhak Shamir agreed to in November.

Administration officials said they would discuss combined operations to meet possible Soviet and Syrian moves in the Middle East, storage of U.S. weapons and military equipment in Israel and use of Israeli hospitals by U.S. forces.

Few specific agreements are expected from the first meeting of the Joint Political-Military Group in Washington on Jan. 23 and 24. But officials said the two sides would set an agenda for immediate, detailed discussions in several areas.

They said basic outlines for three military medical programs had already been worked out. One would give U.S. forces access to Israeli hospitals in the event of an incident like the truck bombing of the U.S. Marines' compound in Beirut on Oct. 23 or other hostilities.

Another would permit the United States to store medical supplies in Israel for use if U.S. forces became engaged in combat near Israel or around the Gulf. Under a

third agreement, U.S. and Israeli military doctors would make exchange visits.

After the bombing of the Marine compound in Beirut, which killed 241 U.S. servicemen, Israel offered to care for wounded Americans in Israeli hospitals. But U.S. officials declined, which prompted strong criticism in the United States.

Administration officials and diplomatic sources said, however, that there were differences over military cooperation with Israel between Secretary of State George P. Shultz and the president's national security adviser, Robert C. McFarlane, on the one hand and Secretary of Defense Caspar W. Weinberger and senior officials on the other.

Mr. Shultz and Mr. McFarlane are said to favor military cooperation with Israel. Mr. Weinberger and senior military officials are said to be cautious.

The defense secretary and the military high command, according to Pentagon officials, fear that cooperation with Israel would disrupt relations with Arab nations, such as Saudi Arabia, that they view as vital to protecting oil resources around the Gulf.

A focus of the U.S.-Israeli discussions, officials said, will be the Syrian Army, which has grown from 250,000 soldiers to 425,000 in recent years. It is backed by 8,000 Soviet advisers and troops and \$2.8 billion worth of Soviet military equipment that has been shipped to Syria since June 1982. Syria receives more than \$1 billion a year in aid from Saudi Arabia to help pay for that equipment, officials said.

Officials said the two delegations planned to discuss joint sea and air exercises that would train U.S. and Israeli forces to communicate with each other and to familiarize each with the other's operational tactics.

These exercises, to be held perhaps later this year, would also be intended to show the Syrians and their Soviet allies that the United States does not plan to retreat from the Middle East, officials said.

Contingency planning for combined operations will consider potential Syrian and Soviet attacks in Lebanon, against Jordan, and against Israel, officials said.

Planning will include Israeli operations in the eastern Mediterranean, on the southern flank of NATO, to relieve U.S. forces to confront Soviet forces if they attack in Europe.

Storing weapons and military equipment in Israel, officials said, would ease operations if the United States Central Command, earlier known as the Rapid Deployment Force, was sent to secure oil resources around the Gulf.

Mr. Rumsfeld's visit to Damascus, the Syrians appeared to have withdrawn their support for a plan for the disengagement of the warring factions in Lebanon that the United States had been encouraging as a first step toward a political settlement. Instead, the Syrians made it clear that they would oppose any political settlement until Lebanon canceled its troop withdrawal agreement with Israel.

In its report on the U.S.-Syrian talks, the Syrian news agency made no mention of the disengagement plan. The United States had indicated that it hoped that the plan would create a climate of stability in Lebanon enabling it to withdraw some or all of the 16,000 troops stationed in Beirut in the multinational peacekeeping force.

In the report on the meeting with Mr. Rumsfeld, the Syrian press agency quoted Mr. Assad as saying: "We will leave Lebanon after an agreement with our Lebanese brothers when all foreign forces have already left, and this applies both to the Israelis and the MNF," the multinational force.

Mr. Rumsfeld's meeting with Mr. Assad, in a villa outside Damascus where the Syrian president is recuperating from a heart ailment, was the first between the two since early November.

It followed an exchange of messages between President Ronald Reagan and Mr. Assad after Damascus released a U.S. Navy plane who was captured when his plane was shot down during a raid against Syrian positions in Lebanon in December.

Both U.S. and Lebanese officials had expressed optimism that the contacts might indicate a softening of position by Syria and lead to a way out of the impasse on Lebanon's agreement with Israel that

Syria Says It Will Leave Lebanon Only After U.S.

By Joseph B. Treaster
New York Times Service

BEIRUT — President Hafez al-Assad of Syria has said that he will not withdraw Syrian troops from Lebanon until U.S. Marines and other foreign troops have left, the Syrian press agency reported.

Mr. Assad made the comments Saturday after talks with Donald H. Rumsfeld, the U.S. special envoy to the Middle East.

Previously, the Syrian president had opposed calls for the simultaneous withdrawal of Syrian and Israeli forces from Lebanon. He said last year that Syria would pull out only if Israel withdrew its forces first with no preconditions. Mr. Assad's latest comments represented a stiffening of his demands.

Quoting diplomatic sources, the leading independent Beirut newspaper *Al-Nahar* described the talks between Mr. Rumsfeld and Syrian leaders in Damascus on Thursday and Friday as "tense."

Mr. Rumsfeld's meeting with Mr. Assad, in a villa outside Damascus where the Syrian president is recuperating from a heart ailment, was the first between the two since early November.

It followed an exchange of messages between President Ronald Reagan and Mr. Assad after Damascus released a U.S. Navy plane who was captured when his plane was shot down during a raid against Syrian positions in Lebanon in December.

Both U.S. and Lebanese officials had expressed optimism that the contacts might indicate a softening of position by Syria and lead to a way out of the impasse on Lebanon's agreement with Israel that

required the simultaneous withdrawal of Israeli and Syrian troops. Before Mr. Rumsfeld's visit to Damascus, the Syrians appeared to have withdrawn their support for a plan for the disengagement of the warring factions in Lebanon that the United States had been encouraging as a first step toward a political settlement. Instead, the Syrians made it clear that they would oppose any political settlement until Lebanon canceled its troop withdrawal agreement with Israel.

In its report on the U.S.-Syrian talks, the Syrian news agency made no mention of the disengagement plan. The United States had indicated that it hoped that the plan would create a climate of stability in Lebanon enabling it to withdraw some or all of the 16,000 troops stationed in Beirut in the multinational peacekeeping force.

In the report on the meeting with Mr. Rumsfeld, the Syrian press agency quoted Mr. Assad as saying: "We will leave Lebanon after an agreement with our Lebanese brothers when all foreign forces have already left, and this applies both to the Israelis and the MNF," the multinational force.

Mr. Rumsfeld's meeting with Mr. Assad, in a villa outside Damascus where the Syrian president is recuperating from a heart ailment, was the first between the two since early November.

It followed an exchange of messages between President Ronald Reagan and Mr. Assad after Damascus released a U.S. Navy plane who was captured when his plane was shot down during a raid against Syrian positions in Lebanon in December.

Both U.S. and Lebanese officials had expressed optimism that the contacts might indicate a softening of position by Syria and lead to a way out of the impasse on Lebanon's agreement with Israel that

required the simultaneous withdrawal of Israeli and Syrian troops. Before Mr. Rumsfeld's visit to Damascus, the Syrians appeared to have withdrawn their support for a plan for the disengagement of the warring factions in Lebanon that the United States had been encouraging as a first step toward a political settlement. Instead, the Syrians made it clear that they would oppose any political settlement until Lebanon canceled its troop withdrawal agreement with Israel.

In its report on the U.S.-Syrian talks, the Syrian news agency made no mention of the disengagement plan. The United States had indicated that it hoped that the plan would create a climate of stability in Lebanon enabling it to withdraw some or all of the 16,000 troops stationed in Beirut in the multinational peacekeeping force.

In the report on the meeting with Mr. Rumsfeld, the Syrian press agency quoted Mr. Assad as saying: "We will leave Lebanon after an agreement with our Lebanese brothers when all foreign forces have already left, and this applies both to the Israelis and the MNF," the multinational force.

Mr. Rumsfeld's meeting with Mr. Assad, in a villa outside Damascus where the Syrian president is recuperating from a heart ailment, was the first between the two since early November.

It followed an exchange of messages between President Ronald Reagan and Mr. Assad after Damascus released a U.S. Navy plane who was captured when his plane was shot down during a raid against Syrian positions in Lebanon in December.

Both U.S. and Lebanese officials had expressed optimism that the contacts might indicate a softening of position by Syria and lead to a way out of the impasse on Lebanon's agreement with Israel that

required the simultaneous withdrawal of Israeli and Syrian troops. Before Mr. Rumsfeld's visit to Damascus, the Syrians appeared to have withdrawn their support for a plan for the disengagement of the warring factions in Lebanon that the United States had been encouraging as a first step toward a political settlement. Instead, the Syrians made it clear that they would oppose any political settlement until Lebanon canceled its troop withdrawal agreement with Israel.

In its report on the U.S.-Syrian talks, the Syrian news agency made no mention of the disengagement plan. The United States had indicated that it hoped that the plan would create a climate of stability in Lebanon enabling it to withdraw some or all of the 16,000 troops stationed in Beirut in the multinational peacekeeping force.

In the report on the meeting with Mr. Rumsfeld, the Syrian press agency quoted Mr. Assad as saying: "We will leave Lebanon after an agreement with our Lebanese brothers when all foreign forces have already left, and this applies both to the Israelis and the MNF," the multinational force.

Mr. Rumsfeld's meeting with Mr. Assad, in a villa outside Damascus where the Syrian president is recuperating from a heart ailment, was the first between the two since early November.

It followed an exchange of messages between President Ronald Reagan and Mr. Assad after Damascus released a U.S. Navy plane who was captured when his plane was shot down during a raid against Syrian positions in Lebanon in December.

Both U.S. and Lebanese officials had expressed optimism that the contacts might indicate a softening of position by Syria and lead to a way out of the impasse on Lebanon's agreement with Israel that

required the simultaneous withdrawal of Israeli and Syrian troops. Before Mr. Rumsfeld's visit to Damascus, the Syrians appeared to have withdrawn their support for a plan for the disengagement of the warring factions in Lebanon that the United States had been encouraging as a first step toward a political settlement. Instead, the Syrians made it clear that they would oppose any political settlement until Lebanon canceled its troop withdrawal agreement with Israel.

In its report on the U.S.-Syrian talks, the Syrian news agency made no mention of the disengagement plan. The United States had indicated that it hoped that the plan would create a climate of stability in Lebanon enabling it to withdraw some or all of the 16,000 troops stationed in Beirut in the multinational peacekeeping force.

In the report on the meeting with Mr. Rumsfeld, the Syrian press agency quoted Mr. Assad as saying: "We will leave Lebanon after an agreement with our Lebanese brothers when all foreign forces have already left, and this applies both to the Israelis and the MNF," the multinational force.

Mr. Rumsfeld's meeting with Mr. Assad, in a villa outside Damascus where the Syrian president is recuperating from a heart ailment, was the first between the two since early November.

It followed an exchange of messages between President Ronald Reagan and Mr. Assad after Damascus released a U.S. Navy plane who was captured when his plane was shot down during a raid against Syrian positions in Lebanon in December.

Both U.S. and Lebanese officials had expressed optimism that the contacts might indicate a softening of position by Syria and lead to a way out of the impasse on Lebanon's agreement with Israel that

required the simultaneous withdrawal of Israeli and Syrian troops. Before Mr. Rumsfeld's visit to Damascus, the Syrians appeared to have withdrawn their support for a plan for the disengagement of the warring factions in Lebanon that the United States had been encouraging as a first step toward a political settlement. Instead, the Syrians made it clear that they would oppose any political settlement until Lebanon canceled its troop withdrawal agreement with Israel.

In its report on the U.S.-Syrian talks, the Syrian news agency made no mention of the disengagement plan. The United States had indicated that it hoped that the plan would create a climate of stability in Lebanon enabling it to withdraw some or all of the 16,000 troops stationed in Beirut in the multinational peacekeeping force.

In the report on the meeting with Mr. Rumsfeld, the Syrian press agency quoted Mr. Assad as saying: "We will leave Lebanon after an agreement with our Lebanese brothers when all foreign forces have already left, and this applies both to the Israelis and the MNF," the multinational force.

Mr. Rumsfeld's meeting with Mr. Assad, in a villa outside Damascus where the Syrian president is recuperating from a heart ailment, was the first between the two since early November.

It followed an exchange of messages between President Ronald Reagan and Mr. Assad after Damascus released a U.S. Navy plane who was captured when his plane was shot down during a raid against Syrian positions in Lebanon in December.

Both U.S. and Lebanese officials had expressed optimism that the contacts might indicate a softening of position by Syria and lead to a way out of the impasse on Lebanon's agreement with Israel that

required the simultaneous withdrawal of Israeli and Syrian troops. Before Mr. Rumsfeld's visit to Damascus, the Syrians appeared to have withdrawn their support for a plan for the disengagement of the warring factions in Lebanon that the United States had been encouraging as a first step toward a political settlement. Instead, the Syrians made it clear that they would oppose any political settlement until Lebanon canceled its troop withdrawal agreement with Israel.

In its report on the U.S.-Syrian talks, the Syrian news agency made no mention of the disengagement plan. The United States had indicated that it hoped that the plan would create a climate of stability in Lebanon enabling it to withdraw some or all of the 16,000 troops stationed in Beirut in the multinational peacekeeping force.

In the report on the meeting with Mr. Rumsfeld, the Syrian press agency quoted Mr. Assad as saying: "We will leave Lebanon after an agreement with our Lebanese brothers when all foreign forces have already left, and this applies both to the Israelis and the MNF," the multinational force.

Mr. Rumsfeld's meeting with Mr. Assad, in a villa outside Damascus where the Syrian president is recuperating from a heart ailment, was the first between the two since early November.

It followed an exchange of messages between President Ronald Reagan and Mr. Assad after Damascus released a U.S. Navy plane who was captured when his plane was shot down during a raid against Syrian positions in Lebanon in December.

Both U.S. and Lebanese officials had expressed optimism that the contacts might indicate a softening of position by Syria and lead to a way out of the impasse on Lebanon's agreement with Israel that



Rioters milled around a bus in Kowloon, Hong Kong, during the colony's worst night of violence in nearly 17 years. Thirty-four people were injured in the unrest and 150 arrested.

Night of Rioting Shakes Hong Kong As It Tries to Maintain Stable Image

By Christopher S. Wren
New York Times Service

HONG KONG — This crown colony, already nervous about its future, has been shaken by a night of violence that produced its worst rioting in nearly 17 years.

Police used tear gas and nightsticks to end looting, arson and other vandalism by thousands of young people Friday night in a densely populated area near the southwestern coast of the Kowloon peninsula.

Thirty-four people were injured, including four policemen. More than 150 were arrested after rioters attacked buses, overturned other vehicles and smashed shop windows to grab goods. With calm returning, the police said 130 people were still detained Saturday afternoon.

The outbreak came as a climax to a two-day taxi strike that nearly paralyzed transportation in Hong Kong. Taxi drivers, protesting steep increases in registration and license fees, blocked intersections and slowed traffic with caravans of cabs.

The English-language *South China Morning Post* said that its

reporters had heard some rioters speaking in accents of mainland China, but the outbreak did not appear politically motivated.

Recent immigrants have accounted for a high proportion of violent crime in the colony. Police also blamed members of the triads, or secret criminal societies, and other hoodlums who may have seen a chance to profit from antagonisms created by the taxi strike.

The taxi drivers returned to work Saturday after winning assurances that nongovernmental members of the colony's Legislative Council would oppose the proposed increases.

The drivers were not blamed for Friday night's violence, which occurred in the Yau Ma Tei, Mong Kok and Tsimshani districts of Kowloon. Some of them moved their taxis from the area to escape damage.

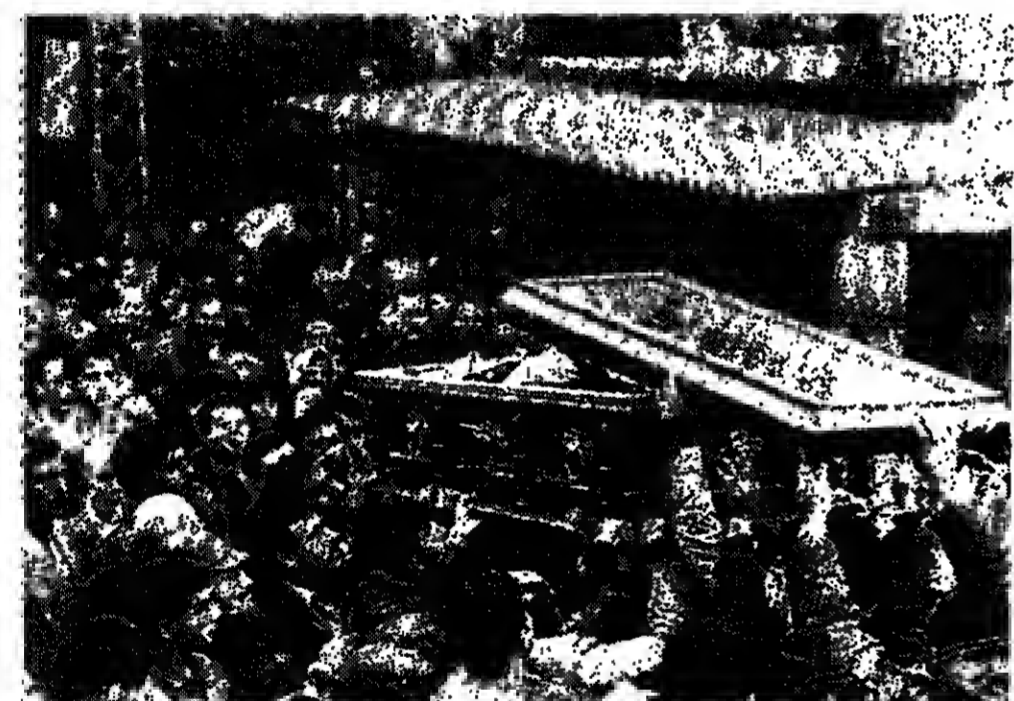
But the preoccupation with the strike delayed the police response to the rioting, which the police commissioner, Roy Heury, attributed to exploitation by "anarchy elements" of the tensions created by the government's confrontation with the taxi drivers.

The Hong Kong government has become nervous about any hint of instability since China served notice that it intended to regain the colony when Britain's lease over most of the territory expires in 1997. Worries about the future have undermined business confidence.

Hong Kong last experienced serious rioting between May and July of 1967, the year after the Cultural Revolution began in China. Those riots, in which 60 people died, were instigated by leftists with Beijing's knowledge, if not complicity.

Last month a Chinese Foreign Ministry spokesman warned that China might reassert its sovereignty earlier than 1997 if "some turmoil" developed in Hong Kong. But China has been anxious not to do anything that would damage the colony's stability or prosperity. A new round of British-Chinese talks on its future is set for later this month.

Before the rioting erupted Friday night, the Hong Kong office of the official New China News Agency, which acts as Beijing's representative, issued a statement distancing itself from the taxi dispute.



Supporters of Major Saad Haddad, Israel's ally in southern Lebanon, followed his body Sunday to the town hall in the Lebanese town of Marjayoun. He died of cancer Saturday.

Saad Haddad, Israel's Longtime Ally In Southern Lebanon, Dies of Cancer

By Edward Walsh
Washington Post Service

JERUSALEM — Major Saad Haddad, who broke from the Lebanese Army to command an Israeli-supported militia in southern Lebanon, died Saturday of cancer at his home in the Lebanese town of Marjayoun. He was 47.

Major Haddad, a Greek Catholic, was Israel's closest ally in Lebanon, the master of a narrow strip of land from which he waged war against Palestinian guerrillas in southern Lebanon.

Earlier this month, a court in Beirut, aware of Major Haddad's critical condition, reinstated him with full rights in the Lebanese Army. He had been expelled in 1979 after proclaiming his enclave along the Israeli-Lebanese border the independent "Republic of Free Lebanon."

The Syrian-backed Druze leader, Walid Jumblatt, cited the court's decision as a reason for blocking agreement on a disengagement plan drawn up to end fighting around Beirut.

Among Israeli tributes to Major Haddad was one from Prime Minister Yitzhak Shamir who was quoted as calling him "a great Lebanese patriot and true friend and ally of Israel."

Colonel Elias Khalil, a Christian, to replace Major Haddad as commander of the militia. Israeli officials have been aware for weeks of Major Haddad's terminal illness and his death is not expected to have any immediate impact on Israeli policy in southern Lebanon. However, his loss is among the factors that complicate Israel's task of extricating its own army from southern Lebanon.

The officials have vowed to keep Israeli forces in southern Lebanon until adequate security arrangements are made for the territory. Israel has little confidence that the Lebanese Army will be able to extend its authority south of Beirut and has sought instead to cultivate local Shiite Muslim militias. The Israelis are bargaining that the Shiite militias could combine with Major Haddad's to police the area and allow the Israeli Army to withdraw.

But officials acknowledge that they have made little headway with this strategy, while tension between the local southern Lebanese population and the occupying Israeli Army appears to be growing.

Major Haddad's militia has remained loyal to its Israeli sponsors and suppliers, but with an estimated 1,500 to 2,000 men, the force is far too small to police more than a portion of the territory occupied by the Israeli Army.

Drafted into the Lebanese Army in the late 1950s, Major Haddad received training at the Frensch military academy and the U.S. ad-

vanced infantry school at Fort Benning, Georgia. In 1968, while stationed in southern Lebanon, Major Haddad was wounded in a skirmish with Palestinian Liberation Organization guerrillas and throughout his career he exhibited a deep hatred for the Palestinian fighters.

Major Haddad was the Lebanese Army commander in southern Lebanon during Lebanon's civil war in the mid-1970s. Following Israel's invasion of the south in 1978, he established control over a nine-mile (14.5-kilometer) strip of territory along the Israeli border. He proclaimed it independent the next year to protest the Syrian presence in Lebanon.

The strip of land was a de facto extension of Israel. Major Haddad's men wear Israeli Army uniforms, carry Israeli weapons and are paid by Israel. In their enclave, Major Haddad and his men not only fought PLO guerrillas but fired frequently at the positions of the United Nations peacekeeping force that was established in southern Lebanon in 1978.

In October, Major Haddad was admitted to Rambam Hospital in Haifa, Israel, and was said to be suffering from exhaustion. Released after treatment, he was readmitted on Jan. 1.

On Jan. 5, the day after the Lebanese court officially readmitted him to his country's army, Major Haddad was flown by Israeli helicopter to Marjayoun.

U.S. Missile Base Soldier Disappears for 30 Hours

Compiled by Our Staff From Dispatches

SCHWABISCH GMUND, West Germany — West German police Sunday questioned a U.S. soldier from a nuclear missile base who was found asleep in a barn 30 hours after he telephoned his wife to say he had been kidnapped and threatened with death.

The disappearance of 21-year-old Lance Corporal Liam Fowler, stationed near Schwabisch Gmund, set off a large police search. Extra detectives were drafted and a special investigating team was set up.

But a farmer's wife found Corporal Fowler early Sunday morning, huddled under straw material in a barn at Miesbach, in Bavaria, 230 kilometers (142 miles) from the base. She alerted police and the man was identified shortly after arrival at a hospital.

"He was suffering from exposure and helplessness at first," a police spokesman said. "He is being questioned in the hospital about the incident, but we have no further details."

Corporal Fowler belongs to the 56th Field Artillery, believed to be the first unit in West Germany to be equipped with new Pershing-2 intermediate-range nuclear missiles.

Police said that Corporal Fowler telephoned his wife twice Saturday, saying that he had been ambushed in his car and was being held by six West Germans who threatened to kill him if U.S. news organizations did not publish criticisms of the North Atlantic Treaty Organization's arms policy within 72 hours.

A police spokesman said the soldier told his wife that his car had been rammed from behind by an other vehicle and forced to stop. The soldier said that he was blindfolded and taken on a long drive in the other vehicle, according to police.

According to a U.S. Army spokesman, the soldier told his wife he had been seized by the Pacific Initiative Group, an organization unknown to any officials.

The Stuttgart police chief, Hans-Peter Sturm, said Saturday that Corporal Fowler could have been kidnapped by militant opponents of NATO deployment of new U.S. missiles in West Germany.

The West German government announced last month that the first of an expected 108 Pershing-2s had been deployed in the country. (AP, Reuters)

Anti-Missile Demonstrations Earlier, James M. Markham of The New York Times reported from Bonn.

The West German news agency DPA reported that a man with a strong local Swabian accent had telephoned its Karlsruhe office Saturday afternoon to say that a U.S. soldier stationed with the 56th Field Artillery in Mutlangen had been kidnapped "by demonstrators."

The Mutlangen base, which lies in a largely rural corner of Baden-Württemberg, has been the repeated site of anti-missile demonstrations that have included unsuccessful attempts to "blockade" it.

On Dec. 4, four demonstrators, including an American priest, managed to infiltrate a companion installation in nearby Schwabisch Gmund and damage a transporter.

Major Anthony M. Maravola, spokesman for the 56th Field Artillery at Mutlangen, said that Corporal Fowler's duties on the base were not sensitive. He was responsible for such matters as "broken doors and squeaky lightbulbs," Major Maravola said, adding "He probably knows as much about missiles as you do."

A spokesman for the tiny Mutlangen anti-nuclear group, which had coordinated many of the protests in the area, said his organization had nothing to do with the reported kidnapping.

"Our actions are symbolic and peaceful and directed against the stationing of mass destruction weapons—not against people," he said.

About 1,800 U.S. soldiers and 1,500 dependents are stationed with the 56th Field Artillery in the Schwabisch Gmund area.

Since the deployment of the first Pershing-2 missiles at Mutlangen, the West German anti-missile coalition has fallen into a state of considerable confusion and disunity.



Liam Fowler

Reagan Backs Panel Report

(Continued from Page 1)

a compromise with Congress on the issue.

Kenneth W. Dam, deputy secretary of state, said selective cut-offs were a "possibility," Mr. Kissinger said aid deliveries could be slowed in response to human rights violations. Both men stressed, however, that military and economic aid should not be conditioned solely upon the Salvadoran government improving its human rights record.

"I think that the one thing we can't really be for is an all-or-nothing situation, a kind of situation in which you have a report card or a test, unless you get a hundred on the test, you don't get anything at all," Mr. Dam said on ABC television.

Mr. Kissinger, also interviewed on ABC, said that Washington could exert leverage by cutting off some aid or "regulating" the speed of delivery.

"I would favor all pressures short of collapsing the government that we are defending," he said.

Tremor Jolts Yugoslavia
BELGRADE — A medium-sized earthquake shook Yugoslavia's southern republic of Montenegro on Friday, causing panic but no casualties or damage, officials said Saturday.

WORLD BRIEFS

Zhao Says U.S. Willing to Sell Arms

NEW YORK (Reuters) — Prime Minister Zhao Ziyang of China said Sunday that the United States had expressed readiness to sell China weapons that Washington was unwilling to sell in the past and that his government was willing to buy some.

"The United States has expressed its willingness to sell China weapons it was not willing to sell before," Mr. Zhao said. "China is willing to buy what it can afford." He declined to go into specifics, but on a recent visit to China, Secretary of Defense Caspar W. Weinberger discussed the sale of defensive weapons.

Mr. Zhao, speaking in New York, also said that he hoped obstacles to an agreement with the United States on developing China's nuclear power industry could soon be removed. "The two sides have adopted an active approach," he said. "There was progress on a number of issues although there are some obstacles."

Military to Stay Out of Philippine Vote

MANILA (Reuters) — General Fabian Ver, chief of the Philippine armed forces, promised Saturday that the military would not be involved in National Assembly elections in May, the Philippine News Agency reported.

General Ver was quoted by the agency as saying that any military personnel found guilty of campaigning for or against any candidate would be punished. He said his office would enforce local commands to ensure peaceful and orderly elections. He directed military field commanders to support and cooperate with election commission officials in their areas.

Major political opponents of President Ferdinand P. Marcos, especially the United Nationalist Democratic Organization, have demanded the military stay out of the election as one of the conditions for participation.

Doubt Raised on Firing of NATO Aide

COLOGNE, West Germany (AP) — A Cologne police spokesman said Sunday that they had found a homosexual bar patron who looked like the former NATO deputy commander, Lieutenant General Ginter Kissling. General Kissling was dismissed last month, reportedly on the ground of homosexuality.

The police refused to confirm or deny reports that photographs of the man, who was not identified, had been sent to Defense Minister Manfred Wörner, who dismissed General Kissling on Dec. 31. Mr. Wörner has said without elaboration that General Kissling was released because he posed a "high security risk."

General Kissling said later that he had received a letter from Mr. Wörner saying that he was being retired early because there was evidence that he traveled in homosexual circles. General Kissling, 58, has denied having had homosexual relations or visiting the bars where he was said to have been observed by military agents. West German newspapers said that a man who resembles General Kissling and who has identified himself as a military man had been seen in the bars.

Saudi Arabia, France Sign Arms Deal

PARIS (Reuters) — France has signed an important arms deal with Saudi Arabia, according to the Defense Ministry and state-owned Thomson-CSF company, which said Sunday that it was providing electronic defense systems as part of the agreement.

Details of the deal were available. The Defense Ministry issued a communiqué saying that Defense Minister Charles Hernu and the Saudi deputy defense minister, Prince Abdul-Rahman bin Abdul-Aziz, had signed an agreement "for the provision of military matériel." A spokesman for Thomson-CSF, which produces high

BRIEFS

Selling to Sell Arms

Chinese Ziyang of China's Central Military Commission said in a speech to the Chinese People's Liberation Army that China is willing to sell arms to other countries, but on a reciprocal basis. He said that China had sold arms to other countries in the past and that it would continue to do so in the future.

Philippine Ver

Ver, chief of the Philippine military, said that the military would not be involved in the Philippine New Year's celebration. He said that the military would be on duty to maintain order during the celebration.

NATO Air

Cologne police spokesman said that a NATO air base in Cologne was the target of a terrorist attack. The spokesman said that the attack was carried out by a group of terrorists who were trying to destroy the base.

France Sign Arms De

France signed an important arms deal with the United States. The deal was for the sale of F-16 fighter jets to the United States. The deal was signed by French President Mitterrand and U.S. President Reagan.

Attacks French Policy

Attacks on French policy were made by a group of French politicians. They said that the French government was not doing enough to protect the interests of the French people. They called for a change in the French government.

Dead in Officer's Deal

A man was killed in a deal with a police officer. The man was a member of a criminal organization and was trying to buy a car from the officer. The officer was caught and the man was killed.

pected to Urge

He is expected to urge the help of the United States to stabilize the situation in the Middle East. He said that the United States should provide more aid to the Middle East to help stabilize the situation.

Soviet Attack

The Soviet Union is expected to attack the United States. The Soviet Union is said to be planning a large-scale attack on the United States. The attack is expected to be carried out in the near future.

English Slant

The English press is expected to have a slant on the situation in the Middle East. The press is said to be biased in its reporting of the situation. The press is expected to favor the interests of the United States.

AMERICAN TOPICS

Spreading the Word With Satellite Q&As

Secretary of State George P. Shultz and a former occupant of his office, Henry A. Kissinger, are expected to answer questions in Washington last week, but in no ordinary press conference. Mr. Shultz's questions were in Bonn, Brussels, Geneva, The Hague, London, Paris, Rome and Stockholm, and his televised replies went back to them live via satellite. Mr. Kissinger, just after turning in the report of his National Bipartisan Commission on Central America, was fielding questions from journalists.



Henry A. Kissinger

in Buenos Aires, Caracas, Mexico City, Rio de Janeiro and San José, Costa Rica. The two men were appearing on Wordnet, a new service of the U.S. Information Agency and a pet project of the agency's director, Charles Z. Wick.

"It's really an international press conference," said Wordnet's executive producer, Hugh Foster. "The idea is to enhance the ability of Europeans to talk directly to American officials."

Started on a trial basis in early November as EuroNet, the service added Latin America and took on its new name last week.

Mr. Foster said the service had got more print and television coverage for the Reagan administration's views in the European media. Once or twice a week, some of the administration's bigger names have appeared for questioning by journalists and foreign affairs experts gathered at USIA centers or U.S. embassies abroad.

On the first transmission, journalists in five cities asked Washington's chief United Nations representative, Jeane Kirkpatrick, and the prime ministers of Barbados and Saint Lucia about the Grenada invasion. Among other officials who have taken part are Defense Secretary Casper W. Weinberger, Agriculture Secretary John R. Block, Commerce Secretary Malcolm Baldrige and the White House national security adviser, Robert C. McFarlane.

Mr. Wick, whose secret taping of telephone calls has drawn him into controversy recently, has strongly backed the satellite press conferences and used his influence to draw newsworthy guests. "He's really pushing this," Mr. Foster said. "He gets all the big names, too."

PBS Asks Its Rivals For Convention Aid

The Public Broadcasting Service is seeking \$10 million for gavel-to-gavel coverage of the presidential nominating conventions this summer.

"We want to present all that is going on at the conventions, the platform debate, the speakers and the hearings, not just what happens on the podium," said PBS's president, Lawrence K. Grossman. "We want to provide analysis and discussion with participants, although we would not have correspondents on the convention floor."

Among the potential donors being solicited are the three commercial networks, ABC, CBS and NBC. They are being asked for about \$250,000 each to underwrite public television's share of the convention "pool" coverage — the staff and the cameras and other equipment used to record official proceedings.

The commercial networks have not decided how extensively to cover the Democratic National Convention, July 16 to 19 in San Francisco, and the Republican National Convention, Aug. 20 to 22 in Dallas. Network coverage is apt to be abbreviated if the nominees are assured before the conventions.

Treasury Secretary Donald T. Regan is said to be opposed to the idea because he thinks it would ultimately lead to proposals for tax increases.

"The decision on taxes is made, and we are all acting that way," an official said Saturday. Until recently, some advisers had expected the president to go along with a contingency tax increase similar to one proposed in the 1984 budget.

The president is expected to propose about \$8.4 billion in spending reductions in 1985, with most of them in the Medicare program for the elderly and in other benefit programs for the poor. Total spending

Key Trade Meeting On Line in Florida

The trade ministers of the European Community, Canada and Japan meet next month with their U.S. counterparts, Trade Representative William E. Brock, at Cheeca Lodge, a fishing resort in the Florida Keys that is a favorite of Vice President George Bush. The "quads," as the periodic meetings of the four trade officials are called, are held outside capital cities so as to give the ministers a break from the demands of day-to-day business. In Florida, Feb. 2 to 4, the ministers will be able to call time out from their discussions to try some deep sea fishing or sample such local specialties as stone crabs and Key lime pie.

Low-Income Housing In Financial Trouble

Almost a fourth of major public housing authorities in the United States are in financial trouble, largely because many of the homes and apartments they manage for low-income tenants are so run-down that they can no longer be rented, U.S. audits have found.

Federal officials place much of the blame on mismanagement and poor-to-nonexistent maintenance by local housing agencies. Auditors for the U.S. Department of Housing and Urban Development also found that local officials let costs get out of control, paid excessive wages, neglected to collect rents in time and did not evict problem tenants.

One result is a growing financial burden for the federal government, which subsidizes more than half of the agencies' operating costs in many cities. Federal funds were intended to go for construction costs only while the local agencies paid operating and maintenance expenses from rents. But Washington's share of the tab has grown in the current fiscal year; the department's cost for building, maintaining and repairing the nation's 1.2 million public housing units is \$4.3 billion.

In This Walkout, The Boss Is Labor

In the first strike against a major U.S. labor union in recent years, about 120 negotiators, lawyers and clerical workers for the headquarters of the 205,000-member American Federation of Government Employees in Washington have stayed away from work for two months to press demands for job security. The strikers, who belong to the Office and Professional Employees International Union, charge their employer with anti-union tactics and unfair treatment of employees. They say the largest U.S. civil service union opposes some of the contract demands, involving job security, disciplinary procedures and promotion policy, that it demands in negotiations with government agencies. Federation officials deny the assertions and say the strike leaders are "a handful of dissenters."

Dissident Communists Establish Party in Spain

MADRID — Dissident Spanish Communists, seeking a return to orthodox Marxism, formally established a new pro-Soviet political party Sunday, with the open support of Moscow.

The new grouping — to be known as the Communist Party, while the older party is called the Spanish Communist Party — was formed at the close of a three-day convention. Ignacio Gallego, 69, a civil war veteran, was chosen as the party's first leader.

The founding of the party marked a major rupture in the Spanish Communist movement, which is now split, as in Greece, between the pro-Soviet faction and the so-called Eurocommunists, who pursue a policy of independence from Moscow.

Mr. Gallego said he carried out his vow to form the party because the Spanish Communist Party had lost touch with its revolutionary roots and was no longer Marxist-Leninist.

A former member of the Spanish Communist Party's executive committee, Mr. Gallego said that the party's espousal of Eurocommunism and its split with Moscow were to blame for its recent failures. In

the last elections, in 1982, it won four parliamentary seats. The new party maintains that the Soviet Union is the natural ally and friend of all communists. It called for a transitional period of "dictatorship of the proletariat" before abolition of capitalism, and said the ideal form of government for Spain was a republic.

Although Mr. Gallego said he did not question the legitimacy of King Juan Carlos I, his party's backing for republicanism distinguishes it from the main Spanish parties, including the Spanish Communist Party, which openly support the constitutional monarchy.

The new party, which won endorsement from Moscow in a report by the press agency Tass, pledged to oppose the Spanish Socialist government's policy of holding wages this year below what the inflation rate is forecast to be.

Aides Say Reagan Has Decided Against Major Tax Rises in '85

By Jonathan Fuerbringer

New York Times Service

WASHINGTON — President Ronald Reagan has told some of his advisers that he has decided not to propose major tax increases in his 1985 budget, administration sources say.

Presidential aides are still arguing over whether to form a commission on the budget deficit to show that the president is dealing with the problem.

Treasury Secretary Donald T. Regan is said to be opposed to the idea because he thinks it would ultimately lead to proposals for tax increases.

"The decision on taxes is made, and we are all acting that way," an official said Saturday. Until recently, some advisers had expected the president to go along with a contingency tax increase similar to one proposed in the 1984 budget.

Reagan to Ask Congress For Budget Veto Powers

By David Hoffman

Washington Post Service

WASHINGTON — President Ronald Reagan will ask Congress in this month's State of the Union address for line-item veto authority that would let him reject individual items in appropriations bills that he now must sign or veto as a whole.

Mr. Reagan will propose a constitutional amendment, the officials said Friday, that would allow him to eliminate or reduce any item in a spending bill that he deems excessive. The amendment would have to be approved by two-thirds of both houses of Congress, then ratified by 38 states.

Congress is not considered likely to cede such a large part of its power to the president. But the proposal may help the administration as it searches for ways to deflect election-year criticism of the \$180-billion deficit that Mr. Reagan is expected to recommend in his forthcoming budget.

Mr. Reagan has long faulted Congress for not doing more to cut domestic spending, and the line-item veto proposal fits his theme neatly.

He is also expected to ask Congress again for a so-called balanced-budget amendment to the U.S. Constitution, which would make it more difficult to enact unbalanced budgets.

In addition, the White House is drawing up plans to create a bipartisan commission on the federal budget deficit, which would report after the election.

All of these proposals are being readied for a 1985 fiscal year budget in which Mr. Reagan has refused, so far, to attack the deficit directly with a major tax increase or large new spending cuts. Officials say that Mr. Reagan will ask Congress for \$8.4 billion in domestic spending cuts — less than in either of his previous budgets — and for relatively minor tax increases, while continuing his military buildup almost without amendment.

If approved, the line-item veto would mark a major shift away from the increased budgetary powers that Congress voted itself after a battle over impoundment of

That proposal could raise about \$50 billion a year in new revenue starting in the 1986 fiscal year. But it would not take effect unless Congress first approved spending reductions proposed in the president's budget for 1985.

The 1985 budget, which Mr. Reagan is scheduled to send to Congress on Feb. 1, makes no major effort to reduce budget deficits, either by reducing spending or through tax increases.

That decision reflects the opinion among some advisers that a major tax increase proposal or a spending cut plan would hurt the president's re-election campaign, if he runs, and would not be approved by Congress anyway.

The president is expected to propose about \$8.4 billion in spending reductions in 1985, with most of them in the Medicare program for the elderly and in other benefit programs for the poor. Total spending

funds with President Richard M. Nixon in the early 1970s. It would give the president a tool for setting his priorities that is now held by governors in 43 states.

Mr. Reagan wielded such line-item veto power in his two terms as governor of California, and aides say he has personally provided the impetus for proposing it this year.

The proposal would still give Congress the power to override the president's vetoes, however.

As a practical matter, the line-item veto authority has limits. Officials said it would not be employed against any of the so-called entitlement programs, such as Social Security and Medicare, in which spending is semi-automatic each year.

In addition, the line-item veto would not apply to interest on the national debt — another large chunk of the budget. Reagan administration officials say it also would probably not be used extensively in the military budget, which Mr. Reagan has pushed hard to expand, although it could be used to trim unwanted projects approved by Congress.

When all these areas are excluded, only about 12 to 15 percent of federal spending remains, mostly programs that have already been squeezed hard in the first three years of the Reagan administration and that Congress has been reluctant to trim further.

Kissinger Panel May Fail to Rescue Reagan's Policy in Central America

By Hedrick Smith

New York Times Service

WASHINGTON — Three times in the last 12 months, President Ronald Reagan has used bipartisan commissions to try to get out of political trouble.

A presidential commission neutralized the prickly issue of Social Security financing. Another helped persuade Congress to reverse itself and go along with the MX missile.

But at least initially, it seems unlikely that the National Bipartisan Commission on Central America will rescue Mr. Reagan from the deadlock that has dogged his Central American policy for nearly three years. The commission report could even fan the flames of election-year partisanship. Unquestionably, it has a lot to live.

After months of preoccupation with Lebanon and the role of the U.S. Marines there, the White House was busy translating the panel's recommendations into legislative proposals.

Officials said Saturday that Mr. Reagan would ask for up to \$400 million in military aid for El Salvador for the rest of 1984 and 1985, nearly six times the \$65 million previously provided for 1984.

Henry A. Kissinger, the commission chairman, was booked to testify before congressional committees early next month in try to generate political momentum. But the report touched off partisan reaction reflecting troubles the president hoped to overcome when he appointed the panel last summer.

Congress was then in an uproar over large-scale U.S. military exercises in Central America and fear of deeper American military involvement. To calm Capitol Hill and to formulate a long-term strategy that could attract bipartisan support, Mr. Reagan appointed a bipartisan panel.

Citing private polls showing Mr. Kissinger to be the nation's most respected figure on foreign policy, aside from the president himself, William P. Clark, who was then White House national security adviser, argued for Mr. Kissinger as chairman. Privately, some White House aides were wary.

"Kissinger is not a consensus-builder," one recalled. "He's a lightning rod. The commission may have been flawed from that point on."

will also reflect a 17-percent jump in military spending.

The official, who asked not to be named, said: "Apparently, we are coming out and admitting that this is an election year and that spending cannot be cut and taxes cannot be increased, and so we are going to come back in 1985 to do it."

Mr. Reagan's budget is expected to show a deficit of around \$180 billion in the 1985 fiscal year, which begins Oct. 1. By 1988 and 1989 the deficit is expected to decline to about \$150 billion, the officials said.

With the contingency tax increase some advisers had proposed, the projected deficit would have fallen to just over \$100 billion by 1988.

Another official said Saturday that Mr. Reagan's decision reflected his choice to try in rally support in the campaign this year for major spending reductions next year.

As part of this strategy, he will ask Congress to approve authority that would allow him to reject individual items in appropriation bills instead of accepting or rejecting the entire bill. Congress is not expected to go along.

In making his decision, Mr. Reagan rejected the advice of two top advisers, Martin S. Feldstein, chairman of the Council of Economic Advisers, and David A. Stockman, director of the Office of Management and Budget.

In addition, Paul A. Volcker, chairman of the Federal Reserve Board, has urged that both the administration and Congress move this year to reduce budget deficits.

The decision against major tax increases could also stymie a move in Congress to approve a major deficit reduction package this year. Both Republicans and Democrats acknowledge that tax increases could not be approved without Mr. Reagan's support.

The idea of a special deficit commission and the president's reported leaning against tax increases emerged Monday after Mr. Reagan met with advisers.

Treasury Secretary Regan is worried, officials said, that such a commission would ultimately rely too much on tax increases to reduce deficits. He has also argued that Democrats in Congress and those seeking the party's presidential nomination would criticize the creation of such a panel as a delaying tactic.

But an official said Mr. Reagan expected a commission to be formed despite his opposition and was seeking to control its membership. He is also said to be urging that a proposal on formation of a commission be delayed until later this year.

Eight Democratic Rivals Vie on Defense Issues

The Associated Press

HANOVER, New Hampshire — The eight key Democratic presidential candidates, in the first debate of 1984, argued defense strategies Sunday and agreed that a woman should receive strong consideration as a vice presidential running mate.

The televised debate, sponsored by the House Democratic Caucus, preceded the start of the Feb. 28 New Hampshire primary. The candidates used the occasion to criticize President Ronald Reagan and sharpen their own images with voters.

Taking part were Walter F. Mondale, the former vice president, Senators John Glenn of Ohio, Gary Hart of Colorado, Ernest F. Hollings of South Carolina, Alan Cranston of California and Republican Askew of Florida, former Senator George S. McGovern of South Dakota and the Rev. Jesse L. Jackson of Chicago.

There was more agreement than controversy when the eight candidates dealt with a nuclear weapons freeze — until Mr. Hollings said that Mr. Cranston's emphasis on the freeze would make him a failure in the White House.

The South Carolina senator said he was as committed to peace as much any candidate, "but I'm not going to give away the store." He said the Democrats cannot win with an "over-anxious and immature" approach to the threat of nuclear war.

Mr. Hart challenged Mr. Mondale on the military draft, saying that registration was instituted by the Carter administration.

"I'm opposed to the draft and it is not that we ought to drop registration because I don't think it serves any purpose," Mr. Mondale said.

Mr. Hart persisted, asking Mr. Mondale whether he was for or against draft registration. "I personally and privately opposed it," Mr. Mondale replied.



BORDER PATROL — Two Nicaraguan reservists patrol along the Honduran border near where a U.S. helicopter was forced down last week. UPI quoted the two men as saying they did not receive orders to cease firing at the downed helicopter until seconds after the pilot and his two passengers ran from the craft. The pilot died in the shooting.

Sandinists Announce Plan for Election Of 2 Nicaraguan Leaders, Assembly

By Edward Cody

Washington Post Service

MANAGUA — Nicaraguans will vote early next year for a president, vice president and 19-member assembly with powers to draw up a constitution and make laws, the Sandinist leadership has announced.

The proposed arrangement, outlined Saturday by a member of the nine-member Sandinist directorate, provided the most detailed look so far at the kind of electoral system envisaged by the Marxist-oriented leaders who have ruled Nicaragua by decree since 1979.

Carlos Nuñez, president of the Council of State, said the executive and legislative leadership would be elected by direct suffrage on the same day in the first quarter of 1985, with the president chosen by a simple majority and the assembly by proportional representation. The date is to be announced Feb. 21.

The proposal will be debated in the Council of State and with political parties and other groups over the next year, with an agreement reached on the electoral process in time for a campaign and vote early next year, Mr. Nuñez said. It is not expected to undergo major changes before being passed as law by the Council of State, however.

Mr. Nuñez said that "international guests of credibility and prestige" will be allowed to observe the election to guarantee fairness.

Nicaraguans 18 and over will be allowed to vote, except for criminals and those guilty of "crime against the revolution," Mr. Nuñez said. This, he added, excludes "counterrevolutionaries" in the U.S.-financed and Honduran-based guerrilla forces fighting Nicaraguan troops.

Mr. Nuñez said a state of emergency that has restricted civil liberties in Nicaragua for nearly two years "will be perfected" to allow broader discussions of political issues during the election campaign. He declined to pledge a total lifting of censorship, however, and declared that attacks by the Nicaraguan rebels would require maintaining at least part of the emergency restrictions even through elections.

The Sandinist leadership has pledged for some time that elections would be held in 1985. The proposals made public Saturday offered the first description of who is to be elected and how.

Observers noted that many details remain to be worked out that could heavily influence the nature of the voting and the type of government it produces. Mr. Nuñez indicated, for example, that the electoral law would bar candidates of parties opposed to the Sandinist revolution.

This has been a major point of contention on the part of conservative opposition parties whose members, while embracing the 1979 overthrow of the dictator Anastasio Somoza, object to what they say is a march toward Soviet-allied Marxism under the Sandinists.

A recent law on political parties specified that opposition groups may seek to obtain power. This suggested that the Sandinists have entertained the theoretical possibility of allowing themselves to be voted out of office if the electorate chose in so.

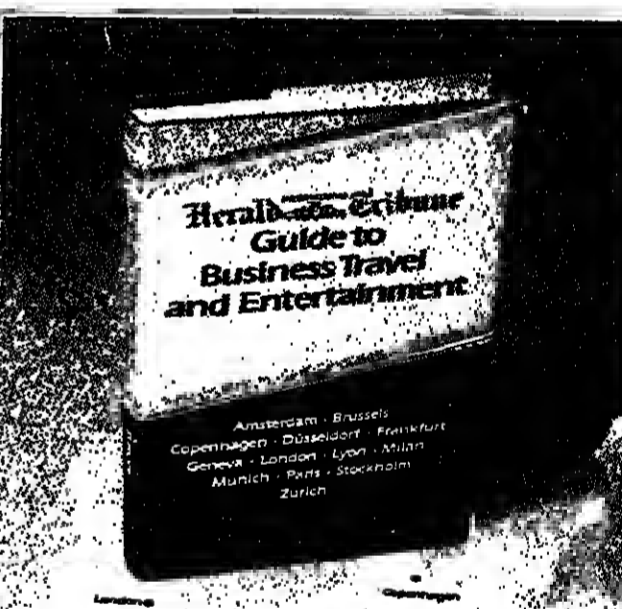
But diplomats in Managua said this was a calculated and small risk. The opposition parties, they noted, are poorly organized and have little chance of a victory at the polls.

Mr. Nuñez said that electoral "ethics" in be worked out in the Council of State would forbid campaign abuses, including vote-buying, slander and "the exaltation of past values and all that seeks to return to a system that provided a cover for and engendered Somoza's power."

"The campaign has in be carried out within parameters that correspond to the reality of the institutionalized revolution and its ethical values," he added.

Another question yet to be settled that could bear strongly on the electoral system is whether military officers will be allowed to run as candidates. Many of the top Sandinist leaders are in the military and regularly wear olive-green army uniforms in their government offices.

Mr. Nuñez ducked questions on whether an election to determine who rules the country would force the collegial nine-man Sandinist directorate to designate a single leader for the first time and present him to the Nicaraguan people as a candidate.



The Trib's new guide for business travel brims with valuable information. There's never been a guide quite like it. Thirteen European business cities, analyzed in detail according to a business traveler's wants and needs. It's the key to turning that ordinary business trip into a more pleasant, more efficient journey.

Seven subdivisions under each city include: 1. Basic city overview with vital information. 2. Hotels, with emphasis on business services. 3. Restaurants, for on and off-duty pleasure. 4. After hours suggestions. 5. Diversions, from grand opera to jogging. 6. Shopping. 7. Weekend ideas.

Trib business readers all across Europe shared their most treasured travel secrets with journalist Peter Graham. The result: a book for business travelers with contributions from business travelers. Over 200 pages, this hardcover edition is available directly from The Trib. A great gift idea for colleagues, business contacts, or yourself. Order today.

THE INTERNATIONAL HERALD TRIBUNE GUIDE TO BUSINESS TRAVEL & ENTERTAINMENT: EUROPE U.S.\$ 16 or equivalent in any convertible European currency plus postage; in Europe, please add \$1.50 per copy outside Europe, please add \$4.00 per copy.

Send your check or money order to: International Herald Tribune, Special Projects Department, 181, avenue Charles-de-Gaulle, 92521 Neuilly Cedex, France. Please send me _____ copies of the I.H.T. Europe Guide. Name: _____ 16-1-84 Address: _____ City/Code/Country: _____

Herald Tribune

Published With The New York Times and The Washington Post

A Familiar, Martial Ring

In a rueful backward glance at Vietnam, General Maxwell Taylor once remarked, "Until we know the enemy and know our allies and know ourselves, we'd better keep out of this dirty kind of business." It is an apt text for weighing the wisdom of the proposals now offered by the Kissinger commission on Central America.

Agreed, Central America is not Vietnam. But the toxin sown by the Kissinger panel report has a familiar, martial ring.

Why is Central America important? Because, the commission declares, "Our credibility worldwide is involved. The triumph of hostile forces in what the Soviet Union calls the 'strategic rear' of the United States would be a sign of U.S. impotence."

The same fears about impotence and credibility were the stuff of a thousand speeches justifying American involvement for a generation in the last war in Indochina.

And now, as if on cue, the Reagan administration is preparing to ask for \$250 million in additional military aid for El Salvador, quadruple the current figure. So it is plain that what matters most about the Kissinger panel's recommendations is not its human rights criticisms or its grab bag of economic proposals, no matter how generous. What matters most is that the bipartisan commission endorses pouring more arms and advisers into another regional civil war.

Arms alone will not make Central America whole, nor have three years of militarization brought it nearer to peace. There are other paths to explore, and it would be simple prudence to weigh real choices. What, to begin with, do we know of our enemies?

Enemy No. 1 is Nicaragua, depicted in most sections of the Kissinger report as irredeemably Marxist-Leninist. But the commission is, ultimately, equivocal about whether the United States can tolerate that. It says there "could" be a comprehensive regional settlement that "would not imply the liquidation of the Sandinist government or the formal abandonment of its revolutionary ideals, but only

that it submit itself to the legitimizing test of free elections."

So why not spell this out? Why not use the incentive of a settlement to bargain for verifiable security guarantees? Such guarantees would make impossible the external assistance that the commission claims Nicaragua is giving to Enemy No. 2, the Salvadoran guerrillas.

Senator Daniel Patrick Moynihan, having met with the Managua Marxists, urges such a test of their realism, and his judgment is as expert, and as anti-Communist, as that of any commission member. Nor is Mr. Moynihan alone in his skepticism about depending on weapons to stop the guerrillas in El Salvador.

The commission says that 37,000 Salvadoran troops are not enough to prevail over 6,000 armed rebels. It favors a 10-to-1 government edge and figures that \$400 million in military aid will break the stalemate. But El Salvador's Roman Catholic archbishop believes that half the weapons will end up in the hands of guerrillas, and that adding more weapons will simply increase an appalling level of violence while reducing chances for a settlement.

What, after all, feeds the Salvadoran insurgency? It is a cycle of violence that the government has been unable to control because, among other things, some of its military commanders are implicated in death squad murders. The overriding goal of United States policy for El Salvador should be to break that cycle and give an ill-used people new choices. The Kissinger committee says as much in arguing that any military aid ought to be conditioned, and seriously, on human rights and social progress in El Salvador.

Alas, even that recommendation is blunted by a tricky dissent from the panel's chairman, Mr. Kissinger and two other commissioners argue that if a choice must be made, defending human rights means less than fighting Marxist-Leninism. That is a policy all right, but it ignores what Maxwell Taylor learned at hard cost. It is the way to turn a second-rate challenge into a first-rate calamity.

—THE NEW YORK TIMES.

China and Nuclear Trade

The visit to Washington of China's prime minister, Zhao Ziyang, marks the welcome continuation of a still-difficult relationship. Mr. Zhao, forsaking Mao jacket for Western suit and tie, said that "China has opened its door and will never close it again." But the doorway is still cluttered with stumbling blocks, among them Taiwan and nuclear trade.

President Reagan, since his election campaign, has steadily moderated his oratory supporting Taiwan. After some delay, China has now invited him for a helpfully timed election-year visit in April. Frying the United States loose from Taiwan is a paramount Chinese goal. A lesser objective is increased Western trade, particularly in the form of access to nuclear reactor technology.

China's desire to enter into nuclear trade creates a dilemma for the administration. Chinese diplomats have millennia of experience in playing off rival barbarians against each other; they have nearly consummated an agreement to buy reactor hardware from France, while all along preferring to buy American. That has incited American nuclear vendors, desperate for foreign sales, to fight the French for the lucrative Chinese market they covet.

But the administration cannot walk through open doors to nuclear trade without exacting clear and specific pledges from China to coop-

erate in preventing the spread of nuclear weapons. There is concern that China, apparently to gain hard currency, may have provided weapons-design information to Pakistan, heavy water to India and Argentina, and enriched uranium to South Africa. Even if the suspicions prove groundless, Japan and other American allies in Asia would deeply resent less stringent nuclear safeguards for China.

That no agreement has been reached during Mr. Zhao's visit suggests that the administration, to its credit, is hanging tough. It must continue to do so. Cutting corners in nuclear trade agreements buys present ease but risks future distress, as recent quarrels with India have amply demonstrated. Quick profits for nuclear vendors, and the political capital of television footage when Mr. Reagan visits the Great Wall in April, are grins of transitory value. The nuclear lobby's dreams of vast markets may never materialize if China remains chronically short of foreign exchange.

Equally uncertain is China's policy after the departure of the 80-year-old Deng Xiaoping. Mr. Zhao may be willing to open all doors, but Hu Yaobang, the Communist Party secretary, puts considerably less priority on trade with the West. Any deal needs to be fashioned for the long term, not the November elections.

—THE NEW YORK TIMES.

Other Opinion

Americans and Their Media

The Reagan administration may have so polarized America on the issue of freedom of the press that people who think they can trust the government or the media but never both. Through his rather sinister assortment of aides, Mr. Reagan is telling the American public, "You have to choose between me and the press." He is like a jealous suitor.

Given the choice of believing their government or believing CBS (or any network), citizens can be expected to choose the government. It is not very comforting to feel that you can't trust your government. There is no reason why anyone should be tricked into having to make such a choice.

One of my more recent nasty letters was from a reader who angrily insisted that the press "has too much freedom." Too much freedom? The next step is to say the American people have too much freedom. Walter Cronkite has a good answer to those who don't want to hear any discouraging realities from the press: "Let them live in Russia a little while, where all they'd get is good news."

Suddenly people seem anxious to overlook

errors and misjudgments by the government and just as anxious to consider every error by the press a capital crime. It appears that the Reagan administration is encouraging this kind of hysteria and relishing it.

—Syndicated columnist Tom Shales.

Optimism in the Far East

The prospects for world peace and prosperity are not entirely without a bright side. U.S. Secretary of State George Shultz and his Soviet counterpart, Andrei Gromyko, will meet in Stockholm soon. It is hoped the Russians will come to the conference table with due sincerity, setting a good example for their satellite countries—North Korea, in particular.

In this connection, a statement recently made by a leader of the Beijing government—that China will adopt a softer line in its diplomacy with Western powers—could not have come at a better time.

And analysts in the five Association of Southeast Asian Nations capitals report a mood of general confidence over the political and economic stability of the region.

—The Korea Herald (Seoul).

FROM OUR JAN. 16 PAGES, 75 AND 50 YEARS AGO

1909: Shaving the Beard Budget
WASHINGTON — There was fun in the House side of Congress when the Appropriations Committee announced [on Jan. 15] that it was ready to investigate why the President likes his favorite barber, Dulany, continue to draw \$1,600 annually from the auditor of the Navy Department as a special employee, when all Dulany does is to shave the President. "Et tu, Brute" is heard on all sides. Many members of Congress who are also members of the Appropriations Committee have been shaved by Dulany at the White House while calling on the President, and all agree that Dulany gives the best shave ever known, but say that the past comforts of fine lathering must be sacrificed to the strict interpretation of the law.

1934: Roosevelt's Monetary Shock
WASHINGTON — President Roosevelt took a momentous step [on Jan. 15] to change the entire monetary foundations of the United States by asking Congress for power which would include placing currency on a new and mobile gold standard under which he would be authorized to revalue the dollar at a figure between 50 and 60 cents. He also asked that the federal Government be made the sole owner of all monetary gold in the country, and that from profits accruing from ownership of the metal and devaluation of the dollar by 40 or 50 percent, a \$2-billion stabilization fund be established to regulate the dollar on world exchanges, protect federal securities and assure sound Government credit.

INTERNATIONAL HERALD TRIBUNE

JOHN HAY WHITNEY, Chairman 1958-1982

KATHARINE GRAHAM, WILLIAM S. PALEY, ARTHUR OCHS SULZBERGER

Co-Chairman

LEE W. HUBNER, Publisher

PHILIP M. FOISIE
WALTER WELLS
ROBERT K. MCCABE
SAMUEL ARI
CARL GEWIRTZ
Associate Editor

International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92200 Neuilly-sur-Seine, France. Telephone: 747-1265. Telex: 612718 (Herald). Cables: Herald Paris.

Gen. Mgr. Asia: Alan Levine, 34-34 Hennessey Rd., Hong Kong, Tel. 5-235618, Telex 61170. Managing Dir. U.K.: Robin MacKinnon, 63 Long Acre, London WC2E, Tel. 836-4802, Telex 563009. S.A. au capital de 1,200,000 F. RCS Nanterre B 732021126. Commission Paritaire No. 34321. U.S. subscription: \$280 yearly. Second-class postage paid at Long Island City, N.Y. 11101. © 1984, International Herald Tribune. All rights reserved.

The Heavy Hand That Has Muffled America's Voice

By Philip Geyelin

WASHINGTON — For a rough measure of where America is in its sense of how to present itself to the world, picture Edward R. Murrow crouched in his office as director of the U.S. Information Agency, surreptitiously taping a telephone conversation with an unwitting former President Eisenhower.

To get the point, you have to know a little about Mr. Murrow, the gutsy and cerebral broadcaster who took on Joe McCarthy in the 1950s before taking on the job of USIA director for President Kennedy in 1961. You must also know that Jimmy Carter has now been added to the list of those whose conversations were taped without forewarning by the incumbent USIA director, Charles Z. Wick.

The difference between a Murrow and a Wick — their intellects, their grasp of world events, their standards, their sensitivities and their perception of what the figurative as well as the literal Voice of America ought to be — is really what the current flap over Mr. Wick's telephone taping is about. And the question is not so much whether Mr. Wick should now resign or be fired. It is why, for this difficult and delicate assignment, he was ever hired.

That is the telling commentary on what has to be the most conservative, flag-waving and, by its own lights, freedom-loving and upright U.S. administration of the postwar period. It would be a touch of class for Mr. Wick to resign. His apologies and alibis long after the fact reflect an embarrassing unawareness of the demands of public service, not to mention of the lessons of recent American history.

But he is "absolutely not" going to resign, says and the president, who has raised cynicism almost to a way of life, is not going to fire him because, he says, Mr. Wick "has done a splendid job. I think the Voice of America, the whole U.S. Information Agency, is far superior to anything that it's ever been, and he's going to continue there."

Well, everyone is entitled to his own rating system, and Mr. Wick gets a high rating for energy, creativity and devotion to his work. He is prized for his evangelical enthusiasm for all the good things he sees in the American

way of life, and for a high state of combat-readiness for battle against the "evil empire" of international communism.

The centerpiece (the VOA aside) of Mr. Wick's handiwork is the \$85-million-a-year Project Democracy. This is a mishmash of high-visibility, highly propagandistic, hard-sell projects embracing educational and cultural exchanges, publishing subsidies, aid for trade unions and support for foreign universities, community action groups, political parties — just about anything that falls within

Ronald Reagan's prescription, made in a speech to the British Parliament a year and a half ago, for a "global campaign . . . to foster the infrastructure of democracy."

Much of what has been gathered together in Project Democracy is not new. What is new is the heavy U.S. hand — the Made-in-America stamp that so often in the past has robbed U.S. "information" programs of their effect.

Also new is the blinkered, simpliminded exaltation of capitalism over communism, as if in large parts of the world that are vital to

U.S. interests there were no middle ground.

Interestingly, when Ed Murrow came to the USIA he found he had inherited the same approach. As recounted by Arthur M. Schlesinger Jr. in his Kennedy biography ("A Thousand Days"), USIA commentators in the Eisenhower days likened the "United States" to a giant corporation with the people as stockholders, the bureaucracy as management, the Congress as board of directors and the president as chairman of the board. Mr. Murrow also inherited information policies designed to put only the best possible light on the American way of life.

As Mr. Schlesinger reports, Mr. Murrow "revitalized" the USIA — "imbued it with his own bravery and honesty and directed its efforts especially to the developing nations" where, instead of expounding free enterprise ideology, it tried to explain the American role in the diverse and evolving world. "There lies the issue at the bottom of the Wick affair."

There is not much to quibbling over the Reagan administration's acceptance of a practice by Mr. Wick that at least two White House aides have proclaimed to be, by their personal standards, "unethical." We are dealing with an administration that explains such lapses, in the words of White House counselor Edwin Meese, as "a business practice in his previous private-sector activities" that Mr. Wick had simply carried into government.

The deeper question, which Congress and the public could more usefully ponder, is whether in its "information" programs America is better off putting only its best foot forward in a great anti-communist crusade, or in presenting the United States "warts and all," as Mr. Murrow insisted. To him, it was the only way to make official "information" programs believable in the Third World.

In that sense, the taping by Charles Wick is a small way of defining the difference between what he and Ed Murrow "carried into government." But it is also not a bad way of defining a much larger difference of approach to the conduct of U.S. foreign policy.

The Washington Post.



In Stockholm, an Important Opportunity to Build Confidence

By Lawrence S. Eagleburger

The writer is U.S. undersecretary of state for political affairs.

NEW YORK — The Conference on Confidence- and Security-Building Measures and Disarmament in Europe, known more conveniently as the CDE, opens in Stockholm this week, and it brings a new and important phase in East-West negotiations.

Its purpose is not arms control or arms reduction in the usual sense; rather, it will seek to make it more difficult for either side to use the arms that do exist in Europe for surprise attack or intimidation. The conference also represents the first East-West arms negotiation inaugurated during the Reagan administration.

Reasonable people may ask why the United States should try to conclude additional agreements with the Soviet Union at a time when serious questions have been raised about Soviet compliance with previous agreements and when its negotiators have

broken off the intermediate-range nuclear forces talks in Geneva and interrupted both the strategic arms talks and the Vienna negotiations on reducing conventional forces in Central Europe.

Even though those negotiations are at a standstill, the United States and its European allies believe it is critical to seek progress in conventional arms control. After all, war in Europe is far less likely to begin with an exchange of nuclear weapons as a "bolt out of the blue" than with soldiers, tanks and heavy trucks.

Accordingly, the United States and its allies will propose a package of "confidence- and security-building measures" requiring greater openness about military activities. The aim is

to reduce the risks of war in Europe by surprise attack, by miscalculation or by poor communications, and to diminish the possibility of using force for purposes of political intimidation.

War in Europe could be sparked by illusory perceptions of advantages to be gained from a sneak attack; erroneous perceptions that an opponent is preparing for military aggression; self-deceiving perceptions about the use of military threats to achieve political benefits.

The Stockholm conference, which is scheduled to bring representatives of 35 European and North American countries together for 27 weeks, will address those dangers by focusing on military activities in all of Europe up to the Ural Mountains, including a

much wider slice of the Soviet Union than that covered by the 1975 Helsinki accord.

Under a good CDE agreement, activities that would be especially threatening or unexpected could occur only if a party violated the agreement and thus sounded alarms against itself. The environment would thus be less conducive to use of military exercises as a cover for surprise attack. It would also be harder to use military exercises to threaten or intimidate another state.

President Ronald Reagan has always understood that peace is of such overriding importance that the United States cannot abandon its pursuit of greater stability and security in Europe through negotiations. But in

Stockholm, just as in other arms control talks, agreements must hinge on more than the good faith of the parties. Experience has shown the importance of not signing a loosely worded agreement simply for agreement's sake. If a CDE agreement is to contribute to building confidence in the security of Europe, it must contain concrete, mandatory measures that can be seen to work over time.

During the past three years, the 35 countries participating in the Madrid meeting, which reviewed the implementation of the 1975 Helsinki accord, agreed on a mandate for the Stockholm conference. It calls for measures that are militarily significant, politically binding, verifiable and applicable to the whole of Europe. That mandate was designed to improve upon the security provisions of the Helsinki Final Act and will be the American delegation's bible at the Stockholm conference.

High-sounding declarations of benign intent, such as pledges of nonaggression or of no-first-use of nuclear weapons, will not fill the bill. They do not meet the requirements of the CDE mandate because compliance cannot be verified and the degree to which each side is bound by these "measures" cannot be tested. Pursuit of such empty and illusory gestures at Stockholm would work against the achievement of practical agreements within a reasonable period of time.

A CDE agreement along the lines the West is seeking would, admittedly, be a modest beginning. It would not make a surprise attack impossible, but it would reduce the opportunities for such an attack. And concrete measures could begin to reduce the risk of war through misunderstanding or miscalculation, and begin also to make it more difficult for any power in Europe to use surprise attack for war or intimidation. This beginning is possible in Stockholm.

The New York Times.

Shultz, Gromyko Must Find a Basis for Arms Talks

By Paul C. Warnke

WASHINGTON — From all reports, the last meeting between the U.S. secretary of state, George Shultz, and the Soviet foreign minister, Andrei Gromyko, at Madrid in September, was a giant step backward in the re-establishment of a U.S.-Soviet dialogue. Charges and countercharges about the Soviet downing of a South Korean airliner seem to have preempted discussion of other problems — including the need to negotiate controls on strategic nuclear weapons.

The indications are that Mr. Shultz may have developed a deep distrust for his Soviet counterpart. Certainly, he has since displayed little enthusiasm for another personal encounter.

But Mr. Shultz and Mr. Gromyko are scheduled to talk Wednesday in Stockholm during the Conference on Disarmament in Europe. Neither seems likely to enjoy the occasion. The State Department has said that Mr. Shultz will use the opportunity to reopen arms-control discussions. Mr. Gromyko said recently that the nuclear weapons issue was not envisioned as a major topic, and that the meeting could be no substitute for the suspended Geneva talks.

What can be expected of such a meeting? If real progress is to be made in arms control, there should be no question of the need for regular meetings between the chief foreign-policy officials of the United States and the Soviet Union. The inevitable deadlocks that develop at a bargaining table cannot be broken when the only communication is between the delegations in Geneva or Vienna.

When a major impasse is reached, communication at a higher level must be undertaken. For example, the big breakthrough in the SALT-2 negotiations came when President Gerald Ford met Leonid Brezhnev, then the Soviet prime minister, at Vladivostok in 1974. Mr. Brezhnev accepted the principle of equal ceilings on U.S. and Soviet strategic forces, overruling his military advisers.

But while high-level communication is a necessary component of effective negotiations, Mr. Gromyko is correct in saying that it is no substitute. Unfortunately, there is no discrete set of problems that the negotiators have been able to isolate for submission to their superiors. Instead, there has been a complete collapse. In the case of the intermediate-range nuclear force talks, the break is probably permanent.

The challenge confronting Mr. Shultz and Mr. Gromyko now is to find a basis on which arms-control negotiations can be resumed with some prospect of success. It is a tough, but not impossible, assignment. As a separate negotiation, the intermediate-range weapons talks have no real future; they dealt with an artificially narrow segment of the overall strategic balance, and so were always on a respirator.

Now, with the deployment in Europe of Pershing-2 and cruise missiles, the plug has been pulled. The Soviet Union will not consider any

solution that requires it to agree to the missiles' presence, particularly in West Germany. And concern about the solidarity of the North Atlantic Treaty Organization, as well as a natural unwillingness to give the Soviet Union a veto over NATO decisions, means that the United States will not agree to reverse the deployment.

What is needed is a larger negotiating framework in which irreconcilable objectives can be submerged and surmounted. Mr. Shultz and Mr. Gromyko should agree to initiate talks in which Soviet SS-20s and U.S. Pershing-2 and cruise missiles are dealt with in the context of the overall strategic nuclear balance; that is, all warheads that can strike North America and European NATO members from Soviet territory, and all

U.S. warheads that can strike Soviet territory, whatever their launching point. (The British and French forces would reassume their relatively minor status.)

There have been suggestions from the Reagan administration that such a merger would unduly complicate arms talks. But what it would do is put all the cards on the same negotiating table and permit trade-offs that were impossible when existing SS-20s and prospective Pershing-2 and cruise missiles were all that could be discussed.

An agreement to begin nuclear arms-control negotiations as a single forum would make it unnecessary for either side to retreat from its basic position on intermediate-range weapons. Acceptance of a single negotia-

tion would leave American negotiators free to pursue the so-called zero option, and to argue that the United States must be able to match any residual Soviet intermediate-range warheads. At the same time, the Soviet Union would not be required to agree to deployment of American missiles that can strike Soviet targets from bases in Europe. One possible solution would be the establishment of a common ceiling covering both intermediate- and intercontinental-range missile warheads.

Thus, the arms-control agenda at Stockholm may be a short one. But Mr. Gromyko and Mr. Shultz should not underrate its importance.

The writer, a former director of the U.S. Arms Control and Disarmament Agency, contributed this article to the Los Angeles Times.

Human Rights Count, Too: Remember the Soviet Jews' Plight

By William Korey

NEW YORK — East-West relations, with their inevitable impact upon human rights in the Soviet Union, will be at center stage at the Stockholm disarmament conference. Whatever else is on the agenda, the forum must not preclude the airing of urgent human rights issues, including the treatment of Soviet Jews.

Under Yuri V. Andropov, Jewish emigration has reached its lowest point in more than a dozen years. Monthly emigration stands at less than 100, down from 4,500 in 1979. Not since Stalin's last years has anxiety among Soviet Jews been so intense. Current Kremlin policy is geared to cutting links between Soviet Jews and Western Jews and uprooting the teaching and study of Hebrew. The Soviet press has de-

scribed the study circles of Jewish cultural activists as "subversive." The drive against Jewish culture recently led to the trial and conviction of Joseph Begun, a principal advocate of the self-study program, whose sentence was harsh: seven years' imprisonment and five years' internal exile. The press has vigorously endorsed a vicious anti-Jewish book, Lev Korneyev's "The Class Essence of Zionism." The work draws upon a notorious Zionist bigot as a source and challenges the martyrdom of six million Jews during the Nazi Holocaust. In Stockholm, the primary emphasis is to be given to enlarging upon the security aspects of the Helsinki accord of 1975.

But security issues cannot be compartmentalized and separated from human rights issues. The Helsinki Final Act makes that clear. It stresses that human rights are "an essential factor for the peace, justice and well-being necessary to ensure the development of friendly relations and cooperation."

The emigration issue should be high on the Stockholm agenda. Indeed, one of the significant gains at the Madrid follow-up to the Helsinki accord's language on emigration. The participants pledged to "favorably deal with" and decide upon applications for reunion of families. Emigration requests were to be an-

swered "within six months." And applicants, if refused, were to be advised of "their right to renew applications after reasonable short intervals." For Soviet Jews, these solemn obligations are honored only in the breach.

Washington should take the lead in airing the Soviet-Jewish issue. Two years ago, President Reagan, at a Holocaust commemoration ceremony, promised that "the persecution of people for whatever reason" must be "on the negotiating table" in dealing with any government, "for the United States does not belong at that table."

The writer is director of international policy research for Policy Brief. He contributed this comment to The New York Times.

LETTERS TO THE EDITOR

Inter Press Service

The report by James Lemayne on the Surinam News Agency (SNTA) contains an inaccurate reference to the Inter Press Service. IPS is an independent international news agency, set up as a nonprofit cooperative of working journalists, and with its own correspondents in some 80 countries. Our objective is to improve news flow among the countries of the Third World and between North and South. We provide distribution services to the nonaligned news pool and to a number of Third World agencies. It is, however, inaccurate to describe IPS as "part of the pool."

ANNE VALIER

Inter Press Service, Paris.

Not So Elusive Neutrinoes

The report "On The Trail of the Elusive Neutrino in Lake Baikal" (JHT, Dec. 29) states that attempts have so far "failed to provide conclu-

sive identification of the particle." But as a matter of fact millions of neutrinos have been detected in hundreds of different experiments in the past 25 years, and a number of patents have been taken out on disturbance-proof communication and geological prospecting using neutrinos.

HENRY BLUMENFELD

Gif-sur-Yvette, France.

Such a Book Exists

Anatole Brodyar remarks in his review of Arthur A. Cohen's "Admirable Woman" (JHT, Dec. 7): "Erika writes a book called 'Salon, Coffee House, Café: The Society of the Intellectuals,' and Cohen gives such a provocative description of this book that one wishes it existed."

In the reviewed novel, Erika was born in 1907 and she leaves her parents when she is 20, circa 1927, when she marries and goes to Paris, where she writes that book. Isn't it strange?

(Continued on Page 5)

NEW EUROBOND ISSUES

Issuer	Amount (millions)	Maturity	Coupon %	Price	Yield At Offer	Terms
ED KINGDOM	\$ 50	1997	11%	100	11%	Callible at 101 in 1988
	100	1998	11%	100	11%	Each warrant is exercisable into a \$1,000 note of the company's 11% of 1991, non-callable, at par
	\$100	1991	12	99	12.22	Non-callable
	\$ 20	1992	open	open	open	Coupon indicated at 7.75%. First callible at 103 in 1986, and thereafter at par in 1988. Convertible into the company's shares at an anticipated 10-15% premium. Terms to be set Jan. 19.
	\$ 50	1991	11%	100	11%	First callible at 101 in 1988. Each \$1,000 note with one-half warrant to buy a similar amount of the company's 11% of 1991 at par
	\$150	1991	11%	99 1/2	11%	Warrants were split by Feb. 15 for 10% or 12 1/2% maturity. For bonds to be repaid in 1991, giving a yield of 11.75%. 15-year bonds to be repaid in 1991, giving a yield of 12.50%. Non-callable
	\$100	1992	open	100	open	Coupon indicated at 4%. Convertible into the company's shares at an anticipated 5% premium. Terms to be set Jan. 18.
	\$100	1992	open	100	open	Non-callable. Payable Feb. 14
	\$ 70	1992	open	100	open	Coupon indicated at 6%. Non-callable. Each \$1,000 note with one-half warrant exercisable into a similar amount of the company's shares at an anticipated 20% premium. Terms to be set Jan. 19.
	\$ 40	1992	open	100	open	Coupon indicated at 6%. Non-callable. Each \$1,000 note with one-half warrant exercisable into a similar amount of the company's shares at an anticipated 20% premium. Terms to be set Jan. 19.
	\$160	1994	11	100	11%	Over means at bid and offered rate for 5-year maturity. Minimum coupon 5.5%. Redeemable at par in 1991, and callible at par on any interest payment date after 1988.
European Community	dm200	1992	8	99	8.18	Non-callable
Michelin Finance	dm100	1989	8 1/4	100	8 1/4	Non-callable. Private placement.
R.J. Reynolds O'seas Fin.	dm125	1994	7 1/2	100	7 1/2	Callible at 101 1/2 in 1991.
Int'l Standard Electric	dm100	1989	8 1/2	100	8 1/2	Non-callable. Private placement payable Feb. 15.
	dm50	1991	10%	100	10%	Non-callable
	dm50	1992	11%	100	11%	Sinking fund to produce a 9.75% average 5% private placement.

Yield Has Little Influence on Demand in Current Market

(Continued from Page 7)

expect that the indicated coupon of 4 percent will most likely be reduced to at least 3 1/2 percent when final terms are set Wednesday.

Nissho Iwai, a major trading house, and Renown, a clothing maker, issued straight bonds with warrants to buy stock.

For investors, the major distinction between the two types of offerings is the fact that the face value of the convertible bond is used to purchase the shares. In a warrant issue, investors have to put up money to buy the bond and additional funds to purchase the shares.

Pricing of a warrant issue consists of two elements: a price for the bond and a price for the shares. The bond price is set at a discount of about 78 percent of face value. At that level, the paper would yield 12 1/2 percent. But because the package of notes plus warrants is expected to be offered at 100 percent of face value, the implied value of the warrant is 22 percent. In fact,

the package was quoted Friday at 101 1/2.

The warrant has value, and appeal to speculators, because of its inherent "leverage." For a cash outlay representing only 22 percent of the face value of the stock purchase, warrant holders stand to benefit 100 percent from any increase in the share price. This, a \$1 increase in the price of the stock should result in roughly a \$5 increase in the value of the warrant.

The notes, trading ex-warrant, have appeal to investors who prefer to buy deep-discount paper. Nissho Iwai's \$70 million of five-year notes bears an indicated coupon of 6 1/2 percent, reduced from the initial indication of 6 3/4 percent. Its warrants, like those of Renown, will be exercisable to buy the stock at a premium of around 2 1/2 percent over the price prevailing when final terms are set.

Reflecting the market's disappointment at the cut in the coupon as well as the relatively unexciting prospect for the stock price in Tokyo, Nissho Iwai's offering was quoted at a discount of 2 points.

The appeal of warrant bonds to investors, bankers say, is linked to the coming relaxation of controls on swaps that Japan's Ministry of Finance has imposed. Starting in April, Japanese companies will be free to enter into such transactions.

It is expected that they will take their very cheap 6 1/2 percent five-year cost of dollars and swap this into yen at a very advantageous rate to themselves.

Also appealing to investors are the expected transactions in their equity dilution. Holders of convertible bonds have little incentive to keep the bonds (except for the higher interest income from the bond compared with the dividend income on the stock) and tend to convert quickly. Warrant holders, because of the gearing factor, tend to delay exercising their option and thus delay having the company issue new shares.

Bankers report that 11 of the 17 Japanese equity-linked offerings scheduled for the rest of the first quarter will be warrant issues.

Expected to be offered this week is a \$40-million convertible issue for Ono Pharmaceutical, which will bear a coupon of about 4 percent. The only U.S. issuer was Computer Products, which resurrected a

\$20-million issue that was announced and then withdrawn late last year. The company makes process-control instrumentation. Its 15-year bonds are expected to carry a coupon of 7 to 7 1/2 percent. But the conversion premium is now indicated at 10-13 percent rather than the 13-16 percent tried last year. In addition, investors are offered a put option to request redemption at par after four years—protecting them against a decline in the stock price.

The DM sector showed the same appetite for quality paper as the dollar sector. Despite the continuing decline of the mark against the dollar in the foreign exchange market, the three issues offered last week were all well received.

R.J. Reynolds sold 125 million DM of 10-year bonds at par bearing a coupon of 7 1/2 percent—the lowest coupon since last November. Despite the late maturity and low coupon, the paper ended the week quoted at a premium of 100 1/2.

The European Community sold 200 million DM of eight-year bonds bearing an 8 percent coupon at 99 to yield 8 1/2 percent. It ended the week at 98 1/2.

Michelin offered 100 million

DM of five-year notes at par bearing a coupon of 8 1/4 percent and ended the week at a discount of 1/4 point.

The expected 200-million-DM issue for Spain was canceled.

This week is to see two other U.S. corporate issues: Allied Corp. will raise 125 million DM and General Motors Acceptance Corp. 50 million DM.

On Wednesday, bankers will set the calendar for the coming month and expectations are that the volume will be greater than this month's 800 million DM.

In other markets, the European Community offered £50 million of 10-year bonds bearing a coupon of 11 1/2 percent at a discount of 99 1/2. International Standard Electric, a unit of IIT, sold 100 million Dutch guilders of five-year notes at par bearing a coupon of 8 1/2 percent.

In the ECU market, West-

Rolm Highlights Problems of Selling to Japan

By Steve Lohr

New York Times Service

TOKYO—Rolm Corp. of Santa Clara, California, has accomplished what few foreign companies have managed: It has cracked the high-technology end of the Japanese telecommunications market, breaking into an arena traditionally reserved for a handful of Japan's biggest and most influential companies.

Rolm has done it with a combination of superior technology, patience and money. But its experience shows how hard it is for foreign companies, even industry leaders, to sell to the tight-knit Japanese corporate club.

William H. Crawley, vice president in charge of Rolm's Japanese operation, said in an interview: "We are very optimistic about Japan."

But he conceded that gains will not come easily. By 1986, he said, Rolm's Japanese sales should approach \$20 million, or 3 percent to 4 percent of the Japanese market for private branch exchanges. The sum is a drop in the bucket by U.S. standards.

Rolm is a leading U.S. producer of the exchanges, which are sophisticated computerized electronic switches that handle computer data, telex messages and facsimile images as well as voice transmission. Sometimes termed the computerized switchboard, the PBX is considered the hub of the automated office.

Rolm spent six months and several hundred thousand dollars obtaining approvals from Nippon Telegraph & Telephone Public Corp. for its PBX.

In March 1982, Rolm became the first company, foreign or Japanese, to win a blanket clearance known as "type approval" for its PBX systems. This status permitted the company to sell its exchanges in Japan and connect them to the public telephone system without

seeking Nippon Telegraph approval every time.

Not long after, the big four Japanese telecommunications equipment suppliers, NEC, Oki Electric, Fujitsu and Hitachi, also applied for and received approval for their PBX models.

Notwithstanding this competition, Rolm has sold and installed in Japan 24 of its PBX systems, which range in price from \$35,000 to \$1.4 million each. Last year its sales in Japan amounted to \$6 million. Its customers include some large Japanese corporations, among them Japan Air Lines and Ricoh.

According to industry analysts, Rolm may have only a slight technological edge over the Japanese in its equipment, or hardware, but it enjoys a considerable lead in software, the electronic instructions that tell the computerized switches what to do.

A big reason for the gap is the

less regulated market in the United States, where Rolm garners about 85 percent of its \$500 million-a-year in revenue. For nearly a decade, Rolm has been marketing PBX systems to airlines for handling reservations and to banks for routing phone inquiries.

Yoshitaki Eto, manager of Japan Air Lines' telecommunications and network development office, said: "Rolm had a competitive edge over the Japanese companies that had little experience with this and had to develop software for us from scratch."

The Rolm system, delivered last December, will begin operation by March.

But there is another side to Rolm's foray into the Japanese market. In 1982, when the company got type approval from Nippon Telegraph, Wolfgang Schwarz, general manager of Rolm's international telecommunications divi-

sion, said: "We expect to book sizeable orders this year, and by 1984 we could see orders for up to \$50 million of our digital communications systems."

But according to Mr. Crawley, the long-standing relations between the big four suppliers and their corporate customers proved harder to crack than Rolm had expected.

For one thing, links between the big Japanese suppliers and major Japanese corporations are cemented by personal friendships that often date back to university days.

To ease its way into the Japanese market, Rolm products are brought into Japan by Sumitomo Corp. and sold and distributed by Omron Tateisi Electronics Co. Such Japanese assistance is considered indispensable to a foreign company.

According to Mr. Crawley, another unexpected hindrance was the big four's *omori*, or legal cartel. The four hold meetings to divide up the major corporate customers, coordinating their marketing and sales efforts efficiently.

In Hong Kong, against the same competitors, Rolm has sold 380 private branch exchange systems in five years, compared with the 24 in Japan in a bit less than two years.

But Mr. Crawley predicts that Rolm will continue to expand its Japanese business at a rapid pace.

Volcker Sees an Economy Able to Cope With Deficit

New York Times Service

MIAMI—Paul A. Volcker, chairman of the Federal Reserve Board, has continued his yearlong campaign against the federal budget deficits, but has described an economy that is resilient enough now to deal with it.

"In the short run, we don't have a \$200 billion problem," he said, referring to various estimates of the size of the current deficit.

"We don't have to deal with that problem all in one big gulp in the early days of a new Congressional session. What would be of enormous help would be getting a process in motion to deal with it over time," he said in a lecture Friday to Florida businessmen.

"We now do have an enormous opportunity, the kind of opportunity we have not had for years and years in the United States, to have a decade, and hopefully more, of more growth and more sustained growth, and to do that in a context of much greater stability."

Like the Fed, some analysts have been concerned that last month's official "flash" estimate of 4.5 percent growth of the gross national product was understated, like others last year, and that subsequent data would put it at 6 percent or above.

"I think there are some signs the rate of growth has slackened," Mr. Volcker said after his lecture. "I was impressed by that GNP figure. It was probably right."

Mr. Volcker laced his comments with breezy quips. "You central bankers are like Puritans," he said. "You have a haunting fear that someone, somewhere may be happy."

"Sir," he was asked by an earnest younger businessman, "if you were to buy a house today, would you take a fixed-rate mortgage or an adjustable rate?"

"Uh-oh," the Fed chairman replied, "investment advice. I don't have enough money to buy a house."

DEVOL-HOLBEIN INTERNATIONAL, N.V.
2nd U.S. Office: 100 Wall Street, New York, N.Y. 10038
As of January 13, 1984
PIERSON, HEDBERG & PIERSON N.Y.
Hewitt Street 214 1016 85 AMSTERDAM
The Netherlands
Phone (20) 2211188 Telex 12118

SCI/TECH

invests in science and technology worldwide

for latest prospectus and shareholders report contact:

Lombard, Odier & Cie
11, rue de la Coraterrie
1204 Geneva (Switzerland)
Tel. (022) 21 02 11

BROWN BROTHERS HARRIMAN & CO.

Private Bankers

Announce the formation of a wholly owned subsidiary

BROWN BROTHERS HARRIMAN TRUST COMPANY

specializing in

Personal Trust and Estate Administration

Employee Benefit Trustee and Administrative Services

John F. King
Executive Vice President & Chief Operating Officer

Vincent P. Amato
Vice President

Edward J. Williams
Vice President, Secretary & Treasurer

Board of Directors

Maarten van Hengel, Chairman Elbridge T. Gerry, Jr., President
Alexander T. Ecklentz Michael Kraynak, Jr. Eugene C. Rainis

63 Wall Street
New York, N.Y. 10005
Tel. 212-483-6200

OECD Calls For U.S. to Cut Deficit

(Continued from Page 7)

an analysis of the budget deficit. It concludes with a call for early enactment of spending cuts combined with tax increases.

"If U.S. policy is not changed, the OECD sees no likelihood of a reduction in interest rates. 'Even a very strong, sustained recovery would see federal deficits continuing to run in the range of 3% to 7 percent of gross national product for the foreseeable future,' the study said.

The domestic implications of such a course "could include a persisting unemployment problem, weak profitability and long-term damage to the export and import-competing sectors of the economy. Elsewhere, high interest rates and weakening U.S. markets could aggravate the debt problems [of developing countries] and limit prospects for recovery in other OECD countries."

"It suggests that moves to reduce the budget deficit could well result in calming investor worries about the problem and reduce the inflation premium built into interest rates. This is now reflected in the record level of real interest rates—measured as the difference between the rate of inflation and the level of interest rates. A reduction in this worry premium would automatically cut interest rates.

Inflation Drop Seen Possible
Inflation in Western industrialized countries, which reached a 10-year low of about 5 percent in mid-1983, may fall further, the OECD said Friday, Reuters reported from Paris.

"There are preliminary indications that the decline in inflation in OECD member countries which began in early 1980 has not ended," it said.

Consumer price inflation in the year to November 1983 rose to 5.3 percent from 5.1 percent in the year to October, but the November monthly increase slowed compared with October's, which was also lower than September's, the OECD said.

New Accounting Magic Appeals to U.S. Firms

(Continued from Page 7)

years by state and local governments when they wanted to pay off either expensive or restrictive debt but could not buy back all their bonds for one reason or another. But it was not until July 1982 that Exxon Corp. introduced the idea to corporate America.

First, the company bought \$312 million in U.S. government securities. It then put the securities in an irrevocable trust, reserving them for the repayment of principal and interest on \$515 million in old long-term Exxon debt. Because the Treasury issues were yielding 14 percent and the old Exxon debt paid only 5.8 percent to 6.7 percent, \$312 million in Treasury issues was enough to cover all the obligations of the \$515 million in debt that will mature by 2002.

Having in effect paid off, or "defeased," the debt, Exxon then wiped it off the balance sheet and added about \$132 million, which is the after-tax difference between the old debt's face value and the actual cost of purchasing enough Treasury bonds to cover it, to second-quarter earnings. The effect was an increase in that quarter's earnings of about 15 cents a share, to \$1.02.

To Exxon, the beauty of defeasance was that it did not have to repurchase its debt, an option companies have always had but one that can be difficult when bondholders do not want to give up their securities.

The Securities and Exchange Commission stepped in with a temporary ban the month after the Exxon action. The commission was concerned about the accounting and whether other creditors could ever take the government securities in the case of bankruptcy, a question that could still be litigated.

Gold Options (prices in \$/oz.)

Price	Feb.	Mar.	Apr.
370	920-110	2200-240	2050-220
380	300-40	1200-140	1050-120
400	—	550-750	1200-1400
420	—	350-500	650-850
450	—	—	400-550

Gold: 370.60-371.50
Values White Weld S.A.
Quai de Mont-Saint
1211 Geneva 1, Switzerland
Tel. 31 02 51 Tel. 28 785

The Financial Accounting Standards Board, the accountants' own watchdog group, then spent more than a year studying defeasance, and voted, 4 to 3, last November to approve. The SEC then unanimously gave its approval late last month.

The excitement on Wall Street has been building ever since, as securities firms seek fees for advice on defeasance and commissions for buying the necessary government securities. Bear, Stearns & Co. has issued a list of 72 companies with \$5.9 billion in bonds that it says might be defeased.

The head of government securities trading at one major investment bank estimated that much more than \$1 billion in defeasance transactions were done in the last week and a half of 1983.

Few companies, perhaps because of the controversy surrounding defeasance, have announced these transactions, although on the last business day of the year, Atlantic Richfield Co. said, without explanation, it had removed \$88 million of debt from its balance sheet by placing government securities in trust.

However, analysts said, corporate debt, in order to be guaranteed and removed from the balance sheet, has to be backed by government securities, which are more expensive than comparable corporate debt because they are considered riskless.

As a result, companies whose debt is not very highly rated could pay a premium of anywhere from \$30 to \$450 for every \$1,000 of debt defeased with government securities, according to calculations by Roman L. Weil, a professor of accounting at the University of Chicago.

INDONESIA
P.T. (PERSERO) TAMBANG BARUBARA BUKIT ASAM

TENDER NOTICE OF 3 ASB
EQUIPMENT LOAN NUMBER 2079-IND

The Government of Indonesia has received a loan from the World Bank of approximately US\$ 185 million to develop an open pit mine at Bukit Asam, South Sumatra, to provide coal to an 800 megawatt steam power generating plant presently under construction at Bukit Asam, West Java.

Part of the proceeds of this loan will be used towards eligible contract payments for the acquisition of specific equipment and this notice is the invitation to bid on the following package:

Package 07 (2 ASB - Electrical Shop and Support Equipment) Consisting of:

- Portable Battery Chargers/Testers 5 each, Coil Taping Machine 2 each, Coil Winding Machine for AC Motors and Transformers 1 each, Motor Armature Banding and Winding Machine, DC-Coil Forming Machine, Set Up Plate, Repair Stand, and Dynamic Balancing Machine 1 each.
- Miscellaneous Portable Electrical Measuring Meters and 1 each ADCDC Motor Test Set for Motors up to 500 HP.
- Shop Vacuum Cleaners 4 each and Gear Test Stand 1 each.

Installation by Bidder is not a part of this Tender. Bidder will be required to demonstrate frequently Indonesian service and spare parts facilities. All quantities above are approximate. Only companies who offer goods produced in member countries of the World Bank, Switzerland, or Taiwan will be eligible to bid.

Bids documents will be available at the non-refundable cost of US\$ 100.00 from January 17th, 1984 until February 10, 1984 at the address below:

BAMCO
on behalf of PTBA
Procurement Manager
Satriabudi Building II, 3rd Floor
Jl. H. Rangsang Ratu Satrio
Kuningan - Jakarta
Indonesia
Tel. 4645 BAMCO IA

Sealed bids will be due at the above address March 8th 1984.

CHANGE OF ADDRESS

Kidder, Peabody International Limited
Kidder, Peabody Securities, Limited
Kidder, Peabody & Co., Limited

will be moving to

107 Cheapside, London EC2V 6DD

on

16th January 1984

Corporate Finance	01-480 8434
Eurobond Research & Advisory	01-480 8389
Eurobond Trading	01-600 1222
Financial Futures	01-480 8271
Middle East Department	01-480 8265
New Issue Syndication	01-480 8400
Operations Department	01-480 8353
U.S. Equities	01-480 8493

Our Telex number remains unchanged as 884694

Net Use	Sales in				High	Low	Lost
	100%	90%	80%	70%			
1-1 1/2	Interloc			607	54%	54%	84%
	7 mg un			182	07%	7	94%
1-2	Interloc			100	14%	14%	14%
1-4	Interloc	1.52	9.4	700	40%	3	6
	Interloc			11	70%	9%	9
	Interloc	.40	4.1	351	9%	9	9
	Interloc	.40	4.4	45	26%	25%	25%

Sales in	Net	Sales in
----------	-----	----------

[illegible]

Sales In					Net		Sales In				
100s	High	Low	Close	Ch'ge			100s	High	Low	Close	Ch'ge

		S		S	
1176	14	262	25%	24	24%
1177	14	262	25%	24	24%
1178	14	262	25%	24	24%
1179	14	262	25%	24	24%
1180	14	262	25%	24	24%
1181	14	262	25%	24	24%
1182	14	262	25%	24	24%
1183	14	262	25%	24	24%
1184	14	262	25%	24	24%
1185	14	262	25%	24	24%
1186	14	262	25%	24	24%
1187	14	262	25%	24	24%
1188	14	262	25%	24	24%
1189	14	262	25%	24	24%
1190	14	262	25%	24	24%
1191	14	262	25%	24	24%
1192	14	262	25%	24	24%
1193	14	262	25%	24	24%
1194	14	262	25%	24	24%
1195	14	262	25%	24	24%
1196	14	262	25%	24	24%
1197	14	262	25%	24	24%
1198	14	262	25%	24	24%
1199	14	262	25%	24	24%
1200	14	262	25%	24	24%
1201	14	262	25%	24	24%
1202	14	262	25%	24	24%
1203	14	262	25%	24	24%
1204	14	262	25%	24	24%
1205	14	262	25%	24	24%
1206	14	262	25%	24	24%
1207	14	262	25%	24	24%
1208	14	262	25%	24	24%
1209	14	262	25%	24	24%
1210	14	262	25%	24	24%
1211	14	262	25%	24	24%
1212	14	262	25%	24	24%
1213	14	262	25%	24	24%
1214	14	262	25%	24	24%
1215	14	262	25%	24	24%
1216	14	262	25%	24	24%
1217	14	262	25%	24	24%
1218	14	262	25%	24	24%
1219	14	262	25%	24	24%
1220	14	262	25%	24	24%
1221	14	262	25%	24	24%
1222	14	262	25%	24	24%
1223	14	262	25%	24	24%
1224	14	262	25%	24	24%
1225	14	262	25%	24	24%
1226	14	262	25%	24	24%
1227	14	262	25%	24	24%
1228	14	262	25%	24	24%
1229	14	262	25%	24	24%
1230	14	262	25%	24	24%
1231	14	262	25%	24	24%
1232	14	262	25%	24	24%
1233	14	262	25%	24	24%
1234	14	262	25%	24	24%
1235	14	262	25%	24	24%
1236	14	262	25%	24	24%
1237	14	262	25%	24	24%
1238	14	262	25%	24	24%
1239	14	262	25%	24	24%
1240	14	262	25%	24	24%
1241	14	262	25%	24	24%
1242	14	262	25%	24	24%
1243	14	262	25%	24	24%
1244	14	262	25%	24	24%
1245	14	262	25%	24	24%

Option & price	Calls	Puts	Option & price	Calls	Puts	Option & price	Calls	Puts
----------------	-------	------	----------------	-------	------	----------------	-------	------

[illegible]

(Continued on Page 11)



YOU'RE NOT GOING TO GET IT

© Phil Witte, Inc. 1994

MY ARMY IS BEING LED BY A DUNCE.

PIKED.

EVES
JUST
RIGHTLY
ME
THINK
EROW

U.S. Education Thrown for Another Loss

winning team and increase office receipts, United Press In-

The plans call for a practice field with artificial turf, a field house and a coaches' office building. The complex also will contain a weight room for the players.

The projects are to be financed by a \$15-million appropriation from the state and \$1.5 million from the New Jersey Sports and Exposition Authority.

Academic standards will not be lowered, said the school's principal, Dr. Edward J. Bloustein. "We're not out to win at any cost," he said. But of competing against big-name schools, he added: "I want to do more than freshmen."

Bloustein said the practice

standings

Elmisk 77; Turson 121; Neufeld 116,
son (22).
Buffalo 3, Edmonton 1 (Andreychuk
Follens 117; Hoesley 119); Hughes 1
Washington 4, Vancouver 4 (Christi

Los Angeles 7, Winnipeg 7 [Smith (9),
for (8), McEwen 2 (8), Fox (18), T...

11 Sheen [17], Young [12], Howard [2], Tishler [1],
 12 Babych [14], Douglas [4], Arnold [4],
 13 Sedatour's [2]
 14 Boston 7, Pittsburgh 3 (Maddalena [2])
 15 ls [4], O'Connell [12], MacTavish [2], Brif-
 16 que [14], Byers [2], O'Parron [2], Arf-
 17 (70), Flackhorn [13].
 18 19 Philip Morris and R.J. Rebs [3] (Sitter [2],
 19 son [4], Pruss [3]; Slesinger [2], P. St.
 20 (25), A. Staley [14]).
 21 New Jersey 3, Montreal 1 (Voyager [2]),
 22 via [14], Higgins [2]; Neakins [1],
 23 Buffalo 2, Detroit 1 (Ramsay [3], Rub-
 24 Yerson [2]).
 25 N.Y. Islanders 4, N.Y. Rangers 2 (G.
 26 12, D. Gutter [12], Perlin [1]), Bost.
 27 Bruins 4, M. Andrews [14],
 28 Minnesota 4, St. Louis 2 (Lewton [7],
 29 Adams, Agha [13], Broten [17]; Federer,
 30 Mullen [19]).
 31 Chicago 2, Toronto 2 (L.J. Lorrimer [7],
 32 ner [13]; Gasparis [4], Tarrant [10]).

HEAD	SLANG	EGAD
ELLA	PANNE	NERO
LEAF	CUTTER	TOUR
DENTURES	PARTY	
	MTS	SPRIG
TUTTI	THEOILERS	
ONIONS	ARUG	RIA
RIPE	LOVER	GAFF
SOP	MILE	STIFLE
ONELINERS	ALTER	
	CONGO	ISM
SHANK	ENTERING	
PONG	BARGED	INON
OMOO	EDILE	DIVA
TEEN	LONER	STAT

South may need to three times from dummy there are only two obvious tries. To foretell a club lead, he will play the ace of trumps and then sound by leading to the jack. He a low club, planning to low, but East easily plays ten.

South can now win much to the diamond ace. His ace will depend on a cross forehand he had a first trick. If his remaining clubs are A-7 or K-7, he fail in his slam, for East will play his club jack on the ace if that played.

If South thought matters fully, his first trick, he have unblocked the club so. Then the eventual finesse

"IF IT WEREN'T FOR GRASS STAINS, WE COULDN'T
KEEP TRACK OF HOW MANY TIMES WE'VE FELL TOWN."

JUMBLE.

by Henri Arnold and Bob Leo

Unscramble these four Jumbles,
one letter to each square, to form
four ordinary words.

DRUIL

□ □ □ □ □ □ □ □

(If you enjoyed this puzzle, see Solutions by
page 60.)

YOVIR

□ □ □ □ □ □ □ □

BLUJEM

□ □ □ □ □ □ □ □

MAANSE

□ □ □ □ □ □ □ □

WHAT HE CALLED
HIS PRETTY FEMALE
ASSISTANT.

Now arrange the cradled letters to
form the surprise answer, as sug-
gested by the above cartoon.

EUROPE			ASIA		
HIGH	LOW		HIGH	LOW	
Algeria	16	61	5	1	0
Athens	36	51	0	0	0
Brussels	2	36	1	1	0
Bulgaria	2	36	1	34	0
Cairo	2	36	1	34	0
Geneva	2	36	1	34	0
Brussels	2	36	1	34	0
Bucharest	2	36	1	34	0
Budapest	2	36	1	34	0
Copenhagen	2	36	1	34	0
Dublin	2	36	1	34	0
Dubai	2	36	1	34	0
Edinburgh	2	36	1	34	0
Frankfurt	2	36	1	34	0
Geneva	2	36	1	34	0
Helsinki	2	36	1	34	0
London	2	36	1	34	0
Los Angeles	2	36	1	34	0
Luxembourg	2	36	1	34	0
Madrid	2	36	1	34	0
Moscow	2	36	1	34	0
Nairobi	2	36	1	34	0
Paris	2	36	1	34	0
Prague	2	36	1	34	0
Rome	2	36	1	34	0
Stockholm	2	36	1	34	0
Vienna	2	36	1	34	0
Zurich	2	36	1	34	0
Amman	5	41	1	30	0
Beirut	0	16	12	54	0
Bombay	0	16	12	54	0
Jerusalem	0	16	12	54	0
Tel Aviv	0	16	12	54	0
Tokyo	0	16	12	54	0
Yokohama	0	16	12	54	0
Osaka	0	16	12	54	0
Seoul	0	16	12	54	0
Manila	0	16	12	54	0
Colombo	0	16	12	54	0
Calcutta	0	16	12	54	0
Bombay	0	16	12	54	0
Delhi	0	16	12	54	0
Hyderabad	0	16	12	54	0
Kolkata	0	16	12	54	0
Madras	0	16	12	54	0
Mumbai	0	16	12	54	0
Pune	0	16	12	54	0
Surat	0	16	12	54	0
Vadodra	0	16	12	54	0
Varanasi	0	16	12	54	0
Yamuna	0	16	12	54	0
Allahabad	0	16	12	54	0
Agra	0	16	12	54	0
Bikaner	0	16	12	54	0
Bombay	0	16	12	54	0
Breast	0	16	12	54	0
Bucharest	0	16	12	54	0
Budapest	0	16	12	54	0
Cairo	0	16	12	54	0
Chennai	0	16	12	54	0
Colombo	0	16	12	54	0
Dubai	0	16	12	54	0
Edinburgh	0	16	12	54	0
Frankfurt	0	16	12	54	0
Geneva	0	16	12	54	0
Helsinki	0	16	12	54	0
London	0	16	12	54	0
Los Angeles	0	16	12	54	0
Luxembourg	0	16	12	54	0
Madrid	0	16	12	54	0
Moscow	0	16	12	54	0
Nairobi	0	16	12	54	0
Paris	0	16	12	54	0
Prague	0	16	12	54	0
Rome	0	16	12	54	0
Stockholm	0	16	12	54	0
Vienna	0				

MONDAY'S FORECAST — CHANNEL: Rough. **FRANKFURT:** Partly cloudy. **Tampa:** 6—11 (43-54). **LONDON:** Overcast with rain. **Tenn:** 71 (45-24). **MADRID:** Partly cloudy. **Paris:** 59 (41-24). **NEW YORK:** Fair. **Tampa:** —2—11 (12-27). **PARIS:** Partly cloudy. **Tampa:** 61 (44-34). **ROME:** Showers. **Tenn:** 71 (31-55-52). **AVI:** Fair. **Tampa:** 19-11 (16-22). **ZURICH:** Partly cloudy. **Tampa:** 6—12 (43-52). **BARCELONA:** Partly cloudy. **Tampa:** 61 (44-34). **BANGKOK:** Mist. **Tampa:** 32-32 (10-72). **HONG KONG:** Fair. **Tampa:** 6—12 (43-52). **LA MANILA:** Fair. **Tampa:** 31-30 (88-61). **SEOUL:** Fair. **Tampa:** 6—12 (43-52). **SINGAPORE:** Fair. **Tampa:** 30-23 (18-73). **TOKYO:** Showers. **Tampa:** 15-19 (52-62).

SPORTS

McEnroe Masters Winner

Defending Champ Lendl Loses 3-Set Final

Compiled by Our Staff From Dispatches
NEW YORK — John McEnroe defused Ivan Lendl's power game here Sunday to defeat the two-time defending U.S. Open champion, 6-3, 6-4, 6-4.

For Lendl, who reached the final of this season-ending tournament for the fourth consecutive year, it was another disappointment. The Czech right-hander also reached the final of the U.S. Open and Australian Open in 1983, but lost. He has yet to win a grand slam tournament.

McEnroe's second Masters title — and the first for any American since he last won in 1979 — cemented his claim as 1983's top men's player. He also won Wimbledon for the second time and finished the year ranked No. 1 on the ATP-ATP computer.

Everything went McEnroe's way Sunday. His serve produced six aces and numerous other winners. And it set up a match full of putaway volleys.

Lendl did not play poorly; he served four aces and his powerful topspin groundstrokes off both sides were deep. But McEnroe was at the top of his game.

Only six games (three on each side) went to break point, and McEnroe won them all. He broke Lendl in the sixth game of the first

set, the third game of the second set and the third game of the final set.

McEnroe opened the match with an ace and won the first game at 15. Neither was in trouble until the sixth game, when Lendl, up 30-0, hit two forehands wide to set up the match's first break.

McEnroe closed out the game by jumping on Lendl's second serve and whipping it down the line.

Lendl tried to put pressure on McEnroe by coming to the net more, but a forehand volley that was long gave McEnroe a 40-15 lead in the third game of the second set. Two points later, McEnroe hit his second break when another Lendl forehand volley was long.

Lendl didn't fold, but McEnroe's game got better yet. He broke Lendl at 15 in the third game, won the last three points when Lendl reached break point on McEnroe's service in the eighth and closed out the match in the 10th game, the final three points coming on service winners.

McEnroe evened his career record against Lendl at 8-8. And he made up for last year's Masters final, when Lendl defeated him in straight sets.

In Saturday's semifinals, McEnroe had avenged three 1983 losses in Mats Wilander by dominating the Swedish teen-ager, 6-2, 6-4. Lendl powered his way into the

final by beating Jimmy Connors, 6-3, 6-4.

A sellout crowd, shouting "Choke!" at Lendl, had clearly wanted Connors to beat him. But Lendl survived a significant challenge after he had won the first five games of the match and Connors stormed back to bring the score to 5-3, with a break point for 5-4. Lendl won the next two points on clear winners, a backhand passing shot and a forehand. He closed out the game with two aces.

McEnroe had an easy time in Saturday's first set, breaking serve for a 3-2 lead and again for 5-2. The second set was another story. Wilander jumped to a 2-0 lead when McEnroe double-faulted and then, after McEnroe had broken back, took a 3-1 lead when he broke service again in a hard-fought game that went to deuce four times.

After trailing, 1-4, however, McEnroe gained control of the set and the match, working his way to the net methodically on each point. "I just tried to get back to what I was doing in the first set," he said. "I tried not to make careless mistakes and come in only on good approach shots and not mediocre ones. When I'm down sometimes I go for broke too quickly. In this case I didn't. I was only down one break, so I didn't think I was out of the set."



Ivan Lendl, defused by John McEnroe, 6-3, 6-4, 6-4.

On Friday, Connors had advanced by grunting and clawing his way to a 6-4, 2-6, 6-2 quarterfinal victory over Czech Tomas Smid. Lendl advanced when his opponent, Ecuadoran Andres Gomez, retired with a pulled muscle in his left shoulder after losing the first set, 6-2, and the opening game of the second set. (AP, NYT)

When an Aussie Lauds a Frenchman And World Rugby Looks to England

By Bob Donahue

International Herald Tribune

PARIS — Rugby is in a feverish state as Saturday's start to the annual Five Nations tournament approaches. The atmosphere is lewd, and nobody knows whether the agitated patient will come out of the fever roused or moribund.

The quote of the season to date comes from an Australian, Sir Nicholas Sheehy, a former lord mayor of Sydney and currently one of his sport's would-be reformers: "Albert Ferrasse is the most respected man in world rugby."

That tribute to the long-serving president of the French Rugby Federation lends itself to several accurate translations, including this one: The most important man in world rugby today is the president of the French Rugby Federation, Ron Jacobs.

You don't have to be an Oxford-trained cryptographer with a battery of computers at hand to understand what that means, although less elaborate jumbled readers may want to read on. Ferrasse, who fluently understands, doesn't even speak English.

Sheehy's words, publicly addressed to the Frenchman in a scarcely reported banquet speech in Paris a few weeks ago (there was a lot of noise in the hall at the time), were extraordinary praise. In English parlance, the adjective "French" has often been synonymous with "pseudo" or "scurrilous" — as in French harp (a sarcasm), French leave (sneaking off) or French coiffure (syphilis).

The French have played rugby for a century, but they were cautiously admitted to the governing body — the International Rugby Football Board — only in 1978. England, Scotland, Ireland, Wales, South Africa, New Zealand and Australia are the other members. Rugby in most of the British Isles has been a middle-class club until recently. Rugby in France lost its class consciousness in the '30s.

Since 1968, Ferrasse, the unlettered son of a railroad tucker, has preached the British philosophy to his fellow Frenchmen and French notions to his English-speaking peers.

In 1979, Dame Carver, the South African rugby star, said in welcoming the French to the governing body: "By their entry, the international board will be enriched... and the spirit of the game will rise above winning and losing, above differences between countries, whatever they be, and above ourselves."

Four years later, Australia's Sheehy has joined the Ferrasse fan club: "Rugby is a player's game. France recognized this much before we did."

What does the Frenchman want? A world rugby cup that can compete for television time and sponsorship money with soccer's World Cup. And relaxation of the rules on amateurism.

At this point another Australian enters the scene. David Lord, a promoter with undisclosed backing, may or may not finally get his threatened professional world rugby championship off the ground this year. But if Lord fails, someone else will come along soon and succeed, many in rugby believe. The time is ripe. Scores of top players are ready to go professional, though none will say so for publication.

Already two of the three outstanding players of the half-dozen years have broken with the establishment by pocketing the proceeds of their autobiographies — former English captain Bill Beaumont and Irishman and French captain Jean-Pierre Rives, remains in and will lead France against Ireland on Saturday, but he has long refused to say anything critical of professionalism.

The antique "Laws of the Game" start with an eight declaration that "no one is allowed to seek or

to receive payment or other material reward for taking part in the game."

"No one is allowed..." But no one any longer believes that top players are amateurs, except in the sense that they have bona fide jobs. Money and other "material reward" has been earned in the game for years.

Players get money under the table from sporting goods firms, rugby clubs or even national rugby authorities. So-called expenses are regularly listed. Free invitations to major matches are distributed to players to sell, when invitations are at first withheld, players threaten to strike. Touring teams demand interview and photograph fees from the media. Many a player has received an interest-free loan, at the least, to take over a bar or a sporting goods shop, to buy a house or a car. And so on.

One of the nightmares of the establishment is that income tax inspectors will lift the lid off the shambles. Another is that boycotted South Africa will make good its threats in launch professional rugby. A third nightmare, rendered acute by the specter of Lord's "rugby circus," is player revolts.

Revolts have already occurred. Nine senior Australian players refused to go on tour to New Zealand in 1982, saying they couldn't afford the lost income. After sweeping a four-test series against the British Isles in New Zealand last July and August, most of the All Blacks forwards and their star scrumhalf refused to tour Britain this past fall, with the result that usually invincible New Zealand drew with Scotland and lost to England.

And in England itself a purge of middle-rank officials, the awarding of the captaincy this year to Peter Wheeler, long the players' choice for the job, and reinstatement of discarded Mike Stenson on the left wing have been unprecedented submission to player pressure.

Wheeler's promotion was all the more significant in that he had been publicly named a few months before as the leader of money-collecting efforts in a world all-star squad touring South Africa.

Why are England and its president, Jacobs, so important? When the international board holds its annual meeting in March, decisions will require a three-quarters majority, as usual. If New Zealand sides with Australia, France, South Africa and Wales, while Scotland and Ireland hold out for the status quo, England will decide matters. Whether to launch a rugby world cup, for example.

Countries that have figured in international play in recent months include Romania (which dethroned Wales in November, 24-6), Japan, Argentina, Canada, Italy, the United States, the Soviet Union, Morocco and Spain.

Meanwhile, as will be garishly evident in and around the Parc des Princes in Paris on Saturday, commercial sponsorship has broken into rugby's old shop. The establishments need the money. The players see the money.

What to do about the amateur creed, so beloved to many, is no easy puzzle. The last time rugby faced the issue of broken-time pay — that is, compensation for earnings lost during training, playing or touring — was in the 1890s, when clubs in the North of England broke away to form what is today the mostly professional, 13-man sport commonly called rugby league.

With soccer, American football and other seasonal sports competing with the 15-man game for today's media and sponsorship attention, many wonder if the old sport could survive another big schism.

An Englishman and one-time captain of Oxford, Peter Robbins, wrote recently that the board members will "have to give serious consideration to broken-time payment." They must, Robbins added dryly, "realize that we do live almost in the 21st century."

Mancini Batters Chacon, Keeps Crown

The Associated Press
LENO, Nevada — Ray (Boom) Mancini bloodied Bobby Chacon badly in a 12-round bout here Saturday night to stop him at 7 of the third round and retain World Boxing Association (WBA) featherweight championship.

The scheduled 15-round bout was as long as it lasted. "We a bleed," Chacon had said before the fight. "If it goes down to the 15th round, let us alone. If it goes to the 15th round, stop it and let us alone."

Mancini, 22, was too strong and too much firepower for the 32-year-old Chacon, who was trying to win a third world title.

In the third round, Mancini battered Chacon with a left jab, hurt him with a left jab, and then a right jab to the head. Chacon tried to back, but he appeared to be when referee Richard Steele stepped in.

Mancini bloodied Chacon's nose in the first round and cut him on the eye. The two engaged in a lot of toe-to-toe exchanges, Mancini had the edge as he with many jabs and several left hooks to the head.

In the second round, Mancini Chacon with a right jab seven or eight shots to the face that forced the challenger to stop. The two fought three rounds, Chacon was a head forced Chacon to stop.

In the third round, Mancini simply didn't have the speed; it was all Mancini's fight, Chacon, who the World Boxing Council

featherweight and super featherweight titles, indicated the bout would be his last. "It depends on how Ray treats me for this fight," he said.

Mancini treated Chacon badly.

Mancini was making his fourth defense of the title he won on a first-round knockout over Art Frias on May 8, 1982. He received \$1.5 million to \$1.75 million for the bout, which was his 29th victory and 23rd knockout. He has lost once in a career that began in 1979.

Chacon received \$575,000, his biggest paycheck in a career that began in 1972. Chacon, who has a record of 52-7-1 with 42 knockouts, won the WBA featherweight championship in 1974, when Mancini was 13 years old.

McCrory Stops Guest in 6

Milton McCrory pinned Million Guest to the ropes with a barrage of rights and stopped the challenger at 2:59 of the sixth round Saturday to retain his World Boxing Council welterweight championship. The Associated Press reported from Sterling Heights, Michigan.

McCrory, 21, was in command throughout. The defense was McCrory's first since he won Sugar Ray Leonard's vacated title last August with a decision over Colin Jones of Wales. McCrory is now 22-0 with one draw, while Guest is 17-2.

McCrory, 21, was in command throughout.

The defense was McCrory's first since he won Sugar Ray Leonard's vacated title last August with a decision over Colin Jones of Wales. McCrory is now 22-0 with one draw, while Guest is 17-2.

McCrory, 21, was in command throughout.

The defense was McCrory's first since he won Sugar Ray Leonard's vacated title last August with a decision over Colin Jones of Wales. McCrory is now 22-0 with one draw, while Guest is 17-2.

McCrory, 21, was in command throughout.

The defense was McCrory's first since he won Sugar Ray Leonard's vacated title last August with a decision over Colin Jones of Wales. McCrory is now 22-0 with one draw, while Guest is 17-2.

McCrory, 21, was in command throughout.

The defense was McCrory's first since he won Sugar Ray Leonard's vacated title last August with a decision over Colin Jones of Wales. McCrory is now 22-0 with one draw, while Guest is 17-2.

McCrory, 21, was in command throughout.

The defense was McCrory's first since he won Sugar Ray Leonard's vacated title last August with a decision over Colin Jones of Wales. McCrory is now 22-0 with one draw, while Guest is 17-2.

McCrory, 21, was in command throughout.

Johnson Wins First Cup Downhill Ever for U.S. Men

Compiled by Our Staff From Dispatches

WENGEN, Switzerland — Newcomer Bill Johnson scored the first World Cup downhill victory over in the men's division for the United States here Sunday.

In his victory over the world's elite downhillers, Johnson was timed in 2 minutes, 10.89 seconds.

Johnson, 22, was in command throughout.

The defense was Johnson's first since he won Sugar Ray Leonard's vacated title last August with a decision over Colin Jones of Wales. Johnson is now 22-0 with one draw, while Guest is 17-2.

Johnson, 21, was in command throughout.

The defense was Johnson's first since he won Sugar Ray Leonard's vacated title last August with a decision over Colin Jones of Wales. Johnson is now 22-0 with one draw, while Guest is 17-2.

Johnson, 21, was in command throughout.

The defense was Johnson's first since he won Sugar Ray Leonard's vacated title last August with a decision over Colin Jones of Wales. Johnson is now 22-0 with one draw, while Guest is 17-2.

Johnson, 21, was in command throughout.

The defense was Johnson's first since he won Sugar Ray Leonard's vacated title last August with a decision over Colin Jones of Wales. Johnson is now 22-0 with one draw, while Guest is 17-2.

Johnson, 21, was in command throughout.

The defense was Johnson's first since he won Sugar Ray Leonard's vacated title last August with a decision over Colin Jones of Wales. Johnson is now 22-0 with one draw, while Guest is 17-2.

Johnson, 21, was in command throughout.

The defense was Johnson's first since he won Sugar Ray Leonard's vacated title last August with a decision over Colin Jones of Wales. Johnson is now 22-0 with one draw, while Guest is 17-2.

Johnson, 21, was in command throughout.

The defense was Johnson's first since he won Sugar Ray Leonard's vacated title last August with a decision over Colin Jones of Wales. Johnson is now 22-0 with one draw, while Guest is 17-2.

Johnson, 21, was in command throughout.

The defense was Johnson's first since he won Sugar Ray Leonard's vacated title last August with a decision over Colin Jones of Wales. Johnson is now 22-0 with one draw, while Guest is 17-2.

Johnson, 21, was in command throughout.

The defense was Johnson's first since he won Sugar Ray Leonard's vacated title last August with a decision over Colin Jones of Wales. Johnson is now 22-0 with one draw, while Guest is 17-2.

Johnson, 21, was in command throughout.

The defense was Johnson's first since he won Sugar Ray Leonard's vacated title last August with a decision over Colin Jones of Wales. Johnson is now 22-0 with one draw, while Guest is 17-2.

Johnson, 21, was in command throughout.

The defense was Johnson's first since he won Sugar Ray Leonard's vacated title last August with a decision over Colin Jones of Wales. Johnson is now 22-0 with one draw, while Guest is 17-2.

Johnson, 21, was in command throughout.

The defense was Johnson's first since he won Sugar Ray Leonard's vacated title last August with a decision over Colin Jones of Wales. Johnson is now 22-0 with one draw, while Guest is 17-2.

Resch wound up third in 2:11.06, behind Johnson and Austrian Anton Stier, clocked in 2:11.00. Michael Mair of Italy finished fourth in 2:11.26 and Gary Athans of Canada was fifth in 2:11.52.

Some of the downhillers grumbled about the freak weather conditions, with changing snowfalls and visibility. But all admired Johnson's acrobatics.

Just after he had posted the fastest intermediate time and was going into the final S-turn, Johnson pulled off a hair-raising acrobatic act to stay on his skis. He almost did the splits, balanced on one ski for a fraction of a second and shot off the track by a few meters, but regained his posture and continued as if nothing had happened.

Swiss U.S. skier, winner of the last two downhill, and Canadian slalomists Todd Brooker and Steve Podhorski were among those well behind the leaders.

"I won't say he is a bad skier," Podhorski said of Johnson. "I won't even say I'm a good one. But just look at the standings and you notice that the first starters were at a disadvantage."

"Let them just wait to the next race and let's see what I do there," responded Johnson.

Johnson had won one of the previous four cup downhill races this season. The other three were won by Swiss skiers.



Said Austrian Erwin Resch of Bill Johnson (above): "Why shouldn't an American win for a change?"

"I had a \$50 bet on the victory with my trainer. Now it's double or nothing for the next downhill," in Kitzbühl on Saturday. "I'll give it all I have." (AP, Reuters, UPI)

MEANS DOWNHILL
1. Bill Johnson, U.S., 2:10.89
2. Anton Stier, Austria, 2:11.00
3. Erwin Resch, Austria, 2:11.06
4. Gary Athans, Canada, 2:11.52
5. Michael Mair, Italy, 2:11.26
6. Volker Zeman, Soviet Union, 2:11.45
7. Hansi Wenzel, Austria, 2:11.79
8. Oscar Delmon, Italy, 2:11.84
9. Silvio Mair, Switzerland, 2:11.97
10. Steve Podhorski, West Germany, 2:12.06
11. Franz Klammer, Austria, 2:12.27
12. Phil Mahre, U.S., 2:12.32

MEANS DOWNHILL
1. Bill Johnson, U.S., 2:10.89
2. Anton Stier, Austria, 2:11.00
3. Erwin Resch, Austria, 2:11.06
4. Gary Athans, Canada, 2:11.52
5. Michael Mair, Italy, 2:11.26
6. Volker Zeman, Soviet Union, 2:11.45
7. Hansi Wenzel, Austria, 2:11.79
8. Oscar Delmon, Italy, 2:11.84
9. Silvio Mair, Switzerland, 2:11.97
10. Steve Podhorski, West Germany, 2:12.06
11. Franz Klammer, Austria, 2:12.27
12. Phil Mahre, U.S., 2:12.32

MEANS DOWNHILL
1. Bill Johnson, U.S., 2:10.89
2. Anton Stier, Austria, 2:11.00
3. Erwin Resch, Austria, 2:11.06
4. Gary Athans, Canada, 2:11.52
5. Michael Mair, Italy, 2:11.26
6. Volker Zeman, Soviet Union, 2:11.45
7. Hansi Wenzel, Austria, 2:11.79
8. Oscar Delmon, Italy, 2:11.84
9. Silvio Mair, Switzerland, 2:11.97
10. Steve Podhorski, West Germany, 2:12.06
11. Franz Klammer, Austria, 2:12.27
12. Phil Mahre, U.S., 2:12.32

MEANS DOWNHILL
1. Bill Johnson, U.S., 2:10.89
2. Anton Stier, Austria, 2:11.00
3. Erwin Resch, Austria, 2:11.06
4. Gary Athans, Canada, 2:11.52
5. Michael Mair, Italy, 2:11.26
6. Volker Zeman, Soviet Union, 2:11.45
7. Hansi Wenzel, Austria, 2:11.79
8. Oscar Delmon, Italy, 2:11.84
9. Silvio Mair, Switzerland, 2:11.97
10. Steve Podhorski, West Germany, 2:12.06
11. Franz Klammer, Austria, 2:12.27
12. Phil Mahre, U.S., 2:12.32

MEANS DOWNHILL
1. Bill Johnson, U.S., 2:10.89
2. Anton Stier, Austria, 2:11.00
3. Erwin Resch, Austria, 2:11.06
4. Gary Athans, Canada, 2:11.52
5. Michael Mair, Italy, 2:11.26
6. Volker Zeman, Soviet Union, 2:11.45
7. Hansi Wenzel, Austria, 2:11.79
8. Oscar Delmon, Italy, 2:11.84
9. Silvio Mair, Switzerland, 2:11.97
10. Steve Podhorski, West Germany, 2:12.06
11. Franz Klammer, Austria, 2:12.27
12. Phil Mahre, U.S., 2:12.32

MEANS DOWNHILL
1. Bill Johnson, U.S., 2:10.89
2. Anton Stier, Austria, 2:11.00
3. Erwin Resch, Austria, 2:11.06
4. Gary Athans, Canada, 2:11.52
5. Michael Mair, Italy, 2:11.26
6. Volker Zeman, Soviet Union, 2:11.45
7. Hansi Wenzel, Austria, 2:11.79
8. Oscar Delmon, Italy, 2:11.84
9. Silvio Mair, Switzerland, 2:11.97
10. Steve Podhorski, West Germany, 2:12.06
11. Franz Klammer, Austria, 2:12.27
12. Phil Mahre, U.S., 2:12.32

MEANS DOWNHILL
1. Bill Johnson, U.S., 2:10.89
2. Anton Stier, Austria, 2:11.00
3. Erwin Resch, Austria, 2:11.06
4. Gary Athans, Canada, 2:11.52
5. Michael Mair, Italy, 2:11.26
6. Volker Zeman, Soviet Union, 2:11.45
7. Hansi Wenzel, Austria, 2:11.79
8. Oscar Delmon, Italy, 2:11.84
9. Silvio Mair, Switzerland, 2:11.97
10. Steve Podhorski, West Germany, 2:12.06
11. Franz Klammer, Austria, 2:12.27
12. Phil Mahre, U.S., 2:12.32

MEANS DOWNHILL
1. Bill Johnson, U.S., 2:10.89
2. Anton Stier, Austria, 2:11.00
3. Erwin Resch, Austria, 2:11.06
4. Gary Athans, Canada, 2:11.52
5. Michael Mair, Italy, 2:11.26
6. Volker Zeman, Soviet Union, 2:11.45
7. Hansi Wenzel, Austria, 2:11.79
8. Oscar Delmon, Italy, 2:11.84
9. Silvio Mair, Switzerland, 2:11.97
10. Steve Podhorski, West Germany, 2:12.06
11. Franz Klammer, Austria, 2:12.27
12. Phil Mahre, U.S., 2:12.32

MEANS DOWNHILL
1. Bill Johnson, U.S., 2:10.89
2. Anton Stier, Austria, 2:11.00
3. Erwin Resch, Austria, 2:11.06
4. Gary Athans, Canada, 2:11.52
5. Michael Mair, Italy, 2:11.26
6. Volker Zeman, Soviet Union, 2:11.45
7. Hansi Wenzel, Austria, 2:11.79
8. Oscar Delmon, Italy, 2:11.84
9. Silvio Mair, Switzerland, 2:11.97
10. Steve Podhorski, West Germany, 2:12.06
11. Franz Klammer, Austria, 2:12.27
12. Phil Mahre, U.S., 2:12.32

MEANS DOWNHILL
1. Bill Johnson, U.S., 2:10.89
2. Anton Stier, Austria, 2:11.00
3. Erwin Resch, Austria, 2:11.06
4. Gary Athans, Canada, 2:11.52
5. Michael Mair, Italy, 2:11.26
6. Volker Zeman, Soviet Union, 2:11.45
7. Hansi Wenzel, Austria, 2:11.79
8. Oscar Delmon, Italy, 2:11.84
9. Silvio Mair, Switzerland, 2:11.97
10. Steve Podhorski, West Germany, 2:12.06
11. Franz Klammer, Austria, 2:12.27
12. Phil Mahre, U.S., 2:12.32

MEANS DOWNHILL
1. Bill Johnson, U.S., 2:10.89
2. Anton Stier, Austria, 2:11.00
3. Erwin Resch, Austria, 2:11.06
4. Gary Athans, Canada, 2:11.52
5. Michael Mair, Italy, 2:11.26
6. Volker Zeman, Soviet Union, 2:11.45
7. Hansi Wenzel, Austria, 2:11.79
8. Oscar Delmon, Italy, 2:11.84
9. Silvio Mair, Switzerland, 2:11.97
10. Steve Podhorski, West Germany, 2:12.06
11. Franz Klammer, Austria, 2:12.27
12. Phil Mahre, U.S., 2:12.32

MEANS DOWNHILL
1. Bill Johnson, U.S., 2:10.89
2. Anton Stier, Austria, 2:11.00
3. Erwin Resch, Austria, 2:11.06
4. Gary Athans, Canada, 2:11.52
5. Michael Mair, Italy, 2:11.26
6. Volker Zeman, Soviet Union, 2:11.45
7. Hansi Wenzel, Austria, 2:11.79
8. Oscar Delmon, Italy, 2:11.84
9. Silvio Mair, Switzerland, 2:11.97
10. Steve Podhorski, West Germany, 2:12.06
11. Franz Klammer, Austria, 2:12.27
12. Phil Mahre, U.S., 2:12.32

MEANS DOWNHILL
1. Bill Johnson, U.S., 2:10.89
2. Anton Stier, Austria, 2:11.00
3. Erwin Resch, Austria, 2:11.06
4. Gary Athans, Canada, 2:11.52
5. Michael Mair, Italy, 2:11.26
6. Volker Zeman, Soviet Union, 2:11.45
7. Hansi Wenzel, Austria, 2:11.79
8. Oscar Delmon, Italy, 2:11.84
9. Silvio Mair, Switzerland, 2:11.97
10. Steve Podhorski,

LANGUAGE

Blowing January Away

By William Safire

WASHINGTON — "It was a good, solid fire fight," said Vice Admiral Joseph Metcalf 3d, describing the United States' early military action on Grenada, "and then we blew them away."

After White House aides had an advance viewing of an antiwar film, one confident told columnist Evans and Novak: "This can blow us away."

Whence comes this thunderous metaphor for "defeat decisively"? How come nobody ever means, "We kicked our teeth in," or boasts, "We beat their pants off?" Who said short on "smothering?"

The answer is going to blow your mind. During the Revolutionary War, when cannons were firing, they were said to be blowing away; a common command to fire was "Blow away!" Then a quaint method of execution came to the fore: A traitor or spy was tied to the mouth of a cannon and with the roar of the explosion was described as having been "blown away."

"The first use of to blow away a person," says lexicographer Stuart Flexner, "was in this rather glib sense. The term then reappeared, or perhaps appeared anew, in street-gang use of the 1950s, referring to killing a rival gang member or stool pigeon. From that street-gang use, it entered — re-entered, really — the military in the Vietnam War, where our soldiers used it in referring to killing an enemy or destroying a village."

Other uses of blowing are still in the wind; we still blow our stacks, tops, fuses and gaskets. And it still exists as an archaic euphemism for "damned." In Dickens' "Our Mutual Friend," Fleggley shouts, "Holiday be blowed!" expressing a feeling many people have in January.

A DIALECTOLOGIST has to hang loose about pronunciation. Asked about the pronunciation of San Jose, a city in California, Professor F.G. Cassidy reports that the Spanish loan name is most regularly pronounced *San Ho-ZAY*, but often loses the *h* in *San-o-ZAY*, and is occasionally referred to occasionally as *San Jo-sie*. Correctness is a function of context: If you're talking to the Chamber of Commerce, use the first; if you're singing "Do You Know the Way to San

Jose?" an allusion to *SAN-o-ZAY* is appropriate, and if you're kidding around, it's OK to kid around.

When the push of dialectology comes to the shove of etymology, however, great wordsmen stand their ground. They will make a persuasive pitch for pronunciation that preserves the root of a word.

"One word that seems to be making great headway in misbegotten form," Cassidy complains, "is *homogeneous* with second-syllable stress."

I have heard it that way, too: "A homogeneous population is easier, less subject to stress because of few racial or ethnic conflicts" is a sentence that comes trippingly off the tongues of demographers, many of whom pronounce the word *HO-mo-JEN-u-s*. Wrong.

"The correct etymological form is *homogeneous* with the third-syllable stress," observes Cassidy. It comes from the Greek *homos*, meaning "same," plus *genes* (from *genos*), meaning "kind" — in other words, of the same kind, as in *homogenized milk*, which is not a mixture of milk fluid and butter fat that tends to separate but a mass that does not separate because it has been processed to make it all of the same kind.

That's what has been blowing away the old pronunciation of *homogeneous* — the form *hom-GEN-u-s* — "The form *homogeneous* is probably due to the influence of *homogenized*, widely familiar through its application to milk. If we quite correctly say *hom-GEN-u-s*, we analyze it as *hom-GEN-u-s* plus *-us* and see no harm in using our *homogeneous* and there goes that *e*."

You lose the *e*, you confuse the etymology; in a thousand years, who's going to know how the word came to be? Cassidy stands beside the bridge: "However, to explain the process by which the new form came about does not make the product acceptable. Homogeneous, five syllables, with stress on the third, is etymologically correct — and, though Greek, it rolls off the English-speaking tongue more naturally than homogenous does anyway."

If you need a mnemonic, geniuses say *homogeneous*, and only the shoo-k-up say *homogenous*.

New York Times Service

How Augustus Idealized His Image

By Eric Pace

New York Times Service

THE Emperor Augustus, it seems, had trouble with his image — and he fixed it just as many a politician would today: with good public relations.

An idealized vision might have persisted today had it not been for the recent detective work of archaeologists and scholars, especially in West Germany, about the way Rome's first emperor is shown in the more than 200 sculptural portraits of him.

The researchers have concluded that around 27 B.C., the emperor commissioned a model portrait head whose features were far more serene and ideal than his own. The adopted son of Julius Caesar, Augustus was born in 63 B.C., became sole ruler in 31 B.C., at the age of 32, and reigned until his death at 77, in A.D. 14.

Faithful copies of this idealized prototype, they say, make up the majority of the surviving portraits.

In the sculptures of this variety, often called the Prima Porta type after a statue discovered at Prima Porta, just outside Rome, the features are so unrealistic as to constitute an "artificial face," according to Professor Paul Zanker, director of the University of Munich's Institute of Classical Archaeology. Zanker's remarks, given in a lecture last summer, were published last year in *Forschung* (Research), a journal published by the West German Institute for Research.

The Metropolitan Museum of Art in New York last month added another portrait of him to the two it had on display, and its assistant curator for Greek and Roman art, Maxwell L. Anderson, observed recently: "Augustus is always pre-eminent in the study of Roman portraiture."

The emperor's motives for having his face idealized have been a focus of scholarly attention. Zanker, in a recent interview in Munich, said: "The portrait was supposed to show that he had ideal human qualities and, at the same time, that he stood for a culture that combined the best traditions."

Another specialist, John Pollini of Johns Hopkins University's department of classics, said recently that disseminating the



The real Augustus (above), with big ears, unruly hair and small chin, compared to the idealistic sculpture he commissioned to improve his image for posterity.

Museum of Fine Arts, Boston

Prima Porta-type portraits "was part of a representative program which gave Romans hope for the future under Augustus, as a divinely inspired leader. He claimed to be acting as the agent of the gods on earth."

The idealism of the portrait, Pollini continued, "was also meant to express his official view that he had brought peace, prosperity, stability, and security to the Roman world, which had known nothing for the past hundred years but continued foreign wars and civil strife."

This propaganda program was largely successful, Pollini said, and gained support from such literary luminaries of the day as Virgil and Horace.

In real life, according to the biographer and antiquarian Suetonius (who lived a century later but digested a mass of contemporary sources), Augustus was "remarkably handsome, even as an old man, but negligent of his personal appearance. He cared so little about his hair that, to save time, he would have two or three barbers working hurriedly on it together."

Suetonius also reported that in old age, Augustus' "left eye had only partial vision. His teeth were small, few, and decayed," and he had "survived several grave and dangerous illnesses at different periods" of his life.

Two other varieties of portrait are a variation on the Prima Porta type, often called the Forbes type, and a more realistic version showing him as a relatively young man. This is often known as the Actium type, after the naval battle in 31 B.C. in which Augustus' forces defeated those of Antony and Cleopatra, and as the Octavian type, because he was known as Octavianus before adopting the honorific name Augustus.

Today's typological research was inspired by the late 19th-century Swiss archaeologist Johann Jakob Bernoulli, who wrote a multi-volume work on ancient portraits of Roman rulers, and the work of another German scholar, Otto Brendel, 50 years ago.

One way of finding out what Augustus really looked like, Zanker suggested, is to study the

Actium type, which he and Pollini have calculated, came into existence around 35 B.C. at the latest, years before Augustus came to sole power.

Of the roughly 40 surviving sculptures of this type, he said, a prime example is on the Mediterranean island of Majorca. It depicts the future emperor at the age of about 25, and has unruly hair and a tanned forehead and mouth in addition to "unsymmetrical proportions, a small pointed chin, a bony and scraggy face, small eyes, and narrow lips."

Box in later years, Augustus tried to enhance his physical image. "The artificial face, which was so full of significance, did not only have an effect on others," Zanker observed, "Augustus' appearances in public, his speaking style, his gestures, were highly controlled."

Indeed, according to Suetonius, on the day the emperor died, "he called for a mirror, and had his hair combed and his lower jaw, which had fallen from weakness, propped up."

Suetonius' account, Zanker said, "shows that, at the end, Augustus identified himself with his artificial face."

OREGON POSTCARD

Crab Fishers in a Pinch

By Jeff Barnard

The Associated Press

BROOKINGS, Oregon — Foster Wright called down to his crew after landing about 350 pounds (160 kilos) of dungeness crab at the Tom Lazo Fish Co.

"We won't be eating crab tonight," he said as he climbed the ladder to the deck of the Deh A Lin. Not when fishermen can sell it at \$1.75 a pound.

Unprecedentedly high prices are taking the sting out of the third straight year of hard scratching for Oregon's crab fleet, which dropped from 570 boats in 1980 to 376 in September. But old-timers and marine biologists agree that there will be a lot more boats tied to the dock before the end of this season.

"There's so many people, the crabs don't have a chance," said Gerald Hahn, 62, who has been crabbing for 26 years. When he started, just three crab boats worked out of Brookings. Now there are 60.

"My youngest boy, I raised him on the boat," Hahn said. "He would love to take the boat. But you can't make a living."

Catches have been dropping fast since the opening of the season, which runs from Dec. 1 to Sept. 15. "A boat that gets 2,000 pounds today gets only 1,000 tomorrow," said Allen Burkhead, manager of the Meredith Fish Co. "It's over for the year."

The high prices are likely to drop as consumers tire of paying \$15 a pound for picked crabmeat. Dreams of easy money when crab landings hit an all-time high of 18.2 million pounds in 1980 brought droves of oyster boats into the fishery. Oregon generally accounts for about 15 percent of the dungeness crab caught from Alaska to California, according to Dale Snow of the Pacific Marine Fisheries Commission.

"You'd see people standing here on the dock watching a boat unload \$10,000 worth of fish and you could see the dollar signs ringing in their heads," said Burkhead. But then the crab population headed into the downsizing of a cycle that lasts from seven to 10 years.

Various theories attribute the cycle to an over-abundance of female crabs, reduced food supplies and a parasitic worm that attacks crab eggs, according to Darrell Demery, a biologist for the state Department of Fish and Wildlife.

Only 4.1 million pounds were landed last season and it could be several years before catches start to rise again, he added.

Most of our crabbers now fishing have been at it for eight or fewer years," said Demery. "The guys with 20 or more years make up just 23 percent of the fleet. That is really a radical change from just a few years ago, when it was probably more like 80 percent old-timers."

As more boats took to the water, people started fishing earlier in the season. "Back in the '50s the peak harvest was in April, May and June and nobody went fishing in winter," Demery said. "Now everybody fishes as early as they can."

As a result, about 60 percent of the annual harvest is taken by the end of December, the first month, and up to 14 percent of the females and small crabs that get thrown back are dying because they are caught so often, he added.

Demery agrees with old-timers like Hahn that the fleet has to be thinned out. The problem is how to do it.

While Hahn wants to leave it to the weather and economic attrition to limit the crab catch, Demery thinks state regulations are needed. "There's got to be drastic action taken here or nothing's going to change," Demery said.

"It will be my primary objective in the next few years to develop a crab plan. One of these objectives will be to get the fleet back in balance."

He favors limiting the state's crab fleet to 100 boats. That could be done through a lottery for permits, or allowing no new boats to join the fishery, so that the number gradually drops as fishermen die, retire or go broke.

There is also talk of cutting the season off June 15, rather than letting it run through Sept. 15, Demery said.

"Talk to any fisherman and he'll tell you there's too many boats out there," said Demery. "But then ask them how you're going to do it and they can't tell you."

"The day will come when the fishery is back to where it belongs," said Hahn. "But a lot of people will have to get hurt first."

MOVING

ALLIED

VAN LINES

INTERNATIONAL

FREE ESTIMATES

THE CARRIER MOVER

PARIS Desobres International

(01) 343 23 64

GERMANY

FRANKFURT Int'l Moving Services

(0511) 25006

DUSSELDORF/BATZENHEIM

(0210) 452023

MUNICH

(089) 142244

LONDON

(01) 953 2636

CAIRO, Egypt

Africa Transport

501556

USA Allied Van Lines Int'l Corp

(0101) 312-681-8100

ALPHA-TRANSIT, Flg. St. Honoré

PARIS, Tel. 266 90 75, and all cities

Baggage, Storage, Insurance, etc.

BAGGAGE, Storage, Insurance, etc.

TRANSFAR, Paris, Tel. 500 03 04

ANNOUNCEMENTS

READ, SUBSCRIBE TO

AFRICASIA

the New World Monthly

Magazine in English, published in Paris

and distributed throughout the world

For the best reports, analyses,

commentary on events in Africa, the

Arab World, Asia & Latin America

For free specimen, write to:

AFRICASIA, 13 rue d'Ulm, 75002 Paris

TAXES, FRENCH & US, Europe & US

Social Security, A.A.A. Senior

Life, Jan. 4 to 8 p.m. 49 rue Pierre

Choron, Paris 8th, All invited.

ANNOUNCEMENTS

FEBRUARY 1984 - leaving problems?

SOS HELP, contact us, English, 11

p.m.-11 p.m. Tel. Paris 634 90 65

ALCOHOLICS ANONYMOUS in

English daily, Paris 634 90 65

SUN NUTS, Euro-delivery, Kelsen

Park 2, 1000 Brussels, Belgium

PERSONALS

73 FOOT TALL OWNER planning to

crash Greek islands during summer

months, seeking companion. Write to:

John J. Cassidy, P.O. Box 26, Kalamazoo,

Michigan 49001, Greece

REAL ESTATE FOR SALE

FRENCH PROVINCES

ST PAUL DE VENICE. To the lovers of

nature and peace, marvelous stone

'barrage', nestled in greenery, 7

rooms, living, library, fireplace, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

sq.m., caretaker's cottage, 100

INTERNATIONAL CLASSIFIED

REAL ESTATE FOR SALE

USA RESIDENTIAL

PALM BEACH, FLORIDA

Lowly house, 4 bedrooms, 2 bathrooms, 2

bathrooms, 2 bedrooms, 2 bathrooms, 2

bathrooms, 2 bedrooms, 2 bathrooms, 2

bathrooms, 2 bedrooms, 2 bathrooms, 2

bathrooms, 2 bedrooms, 2 bathrooms, 2

bathrooms, 2 bedrooms, 2 bathrooms, 2

bathrooms, 2 bedrooms, 2 bathrooms, 2

bathrooms, 2 bedrooms, 2 bathrooms, 2

bathrooms, 2 bedrooms, 2 bathrooms, 2

bathrooms, 2 bedrooms, 2 bathrooms, 2

bathrooms, 2 bedrooms, 2 bathrooms, 2

bathrooms, 2 bedrooms, 2 bathrooms, 2

bathrooms, 2 bedrooms, 2 bathrooms, 2

bathrooms, 2 bedrooms, 2 bathrooms, 2

bathrooms, 2 bedrooms, 2 bathrooms, 2

bathrooms, 2 bedrooms, 2 bathrooms, 2

bathrooms, 2 bedrooms, 2 bathrooms, 2

bathrooms, 2 bedrooms, 2 bathrooms, 2

bathrooms, 2 bedrooms, 2 bathrooms, 2

bathrooms, 2 bedrooms, 2 bathrooms, 2

bathrooms, 2 bedrooms, 2 bathrooms, 2

bathrooms, 2 bedrooms, 2 bathrooms, 2

bathrooms, 2 bedrooms, 2 bathrooms, 2

bathrooms, 2 bedrooms, 2 bathrooms, 2

bathrooms, 2 bedrooms, 2 bathrooms, 2

bathrooms, 2 bedrooms, 2 bathrooms, 2

bathrooms, 2 bedrooms, 2 bathrooms, 2

bathrooms, 2 bedrooms, 2 bathrooms, 2

bathrooms, 2 bedrooms, 2 bathrooms, 2

bathrooms, 2 bedrooms, 2 bathrooms, 2

bathrooms, 2 bedrooms, 2 bathrooms, 2